Market Correction: 2 Oversold TSX Stocks I'd Buy in Bulk

Description

The Canadian stock market got off to a hot start this week, but we're still far from positive territory. The **S&P/TSX Composite Index** is sitting at a loss of just about 10% in 2022, with the majority of the losses piling up over the past two months.

The market has taken a turn for the worse as of late, sending stocks across the **TSX** spiraling. With that in mind, I'm ready to go shopping.

Short-term versus long-term investing

In the short term, it's anybody's guess as to how much more selling there will be. But when looking at the long term, it's only a matter of time until the market as a whole recovers.

In the meantime, I'm not letting the market's volatility affect my investing strategy. My watch list has never been fuller.

I've reviewed two **TSX** stocks that are at the top of my watch list right now. If you've got cash readily available to invest today, I'd make sure both of these companies are on your radar.

TSX stock #1: goeasy

At a market cap of less than $2 billion, **goeasy** (TSX:GSY) has quietly been a top-performing TSX stock in recent years.

Shares of goeasy are up a market-crushing 250% over the past five years. In comparison, the S&P/TSX Composite Index has returned less than 30% in the same time span.

Alongside many other growth stocks, goeasy has seen its stock price come crashing down over the past six months. It's important to note, though, that prior to this recent selloff, goeasy had surged an incredible 600% from its COVID-19 lows to all-time highs. That multi-bagger growth came in a span of less than two years.

After a run like that, it's only natural to see the stock price come back down to reality. Shares are currently trading 35% below 52-week highs.

I'm betting it's only a matter of time before this under-the-radar growth stock returns to outperforming the market.

TSX stock #2: Shopify

As a current **Shopify** (TSX:SHOP)(NYSE:SHOP) shareholder, I've already added to my position several times this year. Some people may be quick to comment that I should have instead waited for the tech stock to bottom out. However, that's much easier said than done. In fact, I'd argue that it's close to impossible to time the market to the level of that accuracy.

As someone who's planning on being a Shopify shareholder for decades to come, part of me is glad that shares are down more than 70% over the past six months. It's an incredibly opportunistic time to load up on one of Canada's top growth companies.

It's not all that unusual for a high-growth company to experience a selloff like this. Shopify was already a richly valued company before its surge following the COVID-19 market crash. By late 2021, many investors were no longer willing to pay nosebleed valuations in the stock market, which triggered a broader selloff that has largely affected Shopify.

Despite the tech stock's 70% drop, shares are still up more than 200% over the past five years and over 1,000% since going public in 2015.

This is a company that still has loads of growth left in the tank. The market opportunity for Shopify in the e-commerce space is only getting larger.

Long-term growth investors looking for their next buy don't need to look much further than this tech giant.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:GSY (goeasy Ltd.)
3. TSX:SHOP (Shopify Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn

4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. kduncombe
2. ndobroruka

Category

1. Investing
2. Tech Stocks

Date
2025/07/27
Date Created
2022/06/22
Author
ndobroruka