



TFSA Investors: Where to Invest \$6,000 Amid Market Selloff

Description

As the stock market continues to slide amid growing concerns about a potential recession, most [TFSA](#) (Tax-Free Savings Account) investors are finding it difficult to pick stocks to buy. In June, the **TSX Composite Index** fell by 9% to post its worst monthly losses in over two years. TFSA investors fear that the stocks may fall further if they buy now.

Stocks for TFSA investors

Instead of trying to time the market, TFSA investors should rather focus on buying stocks at a bargain and holding them for the long term, which is a well-proven wealth-building strategy in stock investing. As the annual TFSA dollar limit continues to be \$6,000 in 2022, let's take a look at two fundamentally strong Canadian stocks TFSA investors can buy with that money amid the ongoing market selloff. Investing \$3,000 in each of these stocks could help investors get outstanding returns in the long run.

Franco-Nevada stock

Franco-Nevada ([TSX:FNV](#))([NYSE:FNV](#)) is the first stock TFSA investors can consider investing around \$3,000 in right now. It's a Toronto-based royalty and streaming firm focused on gold with a market cap of about \$32.8 billion. Despite starting 2022 on a positive note, its stock currently trades with 2% year-to-date losses at \$171.22 per share after falling sharply in Q2.

The second-quarter selloff in its stock was mainly driven by a recent decline in metals prices due to new COVID-related restrictions in China. However, these restrictions have only created short-term demand concerns. And the long-term demand outlook for metals still remains strong, which could help the gold prices inch up — especially in times of economic uncertainties, which should help FNV stock recover fast.

The ongoing growth trend in Franco-Nevada's financials remains strong. In 2021, the company [reported](#) a 27.4% YoY (year-over-year) jump in its total revenue to US\$1.3 billion. Its geographically diverse portfolio also helped the company post a solid 29.9% YoY rise in its adjusted earnings to US\$3.52 per

share.

Analysts expect Franco-Nevada to continue posting strong double-digit earnings growth in the ongoing year, despite an expected minor YoY drop in its production. Moreover, the expected recovery in commodity prices could help its stock rally in the coming quarters, making it one of the most attractive investment options for TFSA investors after its recent dip.

Lightspeed stock

Lightspeed Commerce ([TSX:LSPD](#))([NYSE:LSPD](#)) stock could be another great stock for TFSA investors to buy today. The shares of this Montréal-based tech company have been on my radar for quite some time and currently trade with massive 41.2% year-to-date losses at \$30 per share, despite its solid sales growth trends. The recent tech sector meltdown amid rapidly rising interest rates has taken a big toll on investors' sentiments, driving its stock lower in the last couple of quarters.

In its fiscal year 2022 (ended in March), Lightspeed's total revenue jumped by 147% YoY to US\$542.9 million with the help of an outstanding 218% increase in its transaction-based revenue. The demand for its omnichannel commerce platform is likely to rise further as more merchants adopt new technological solutions to help them grow their online business faster in the post-pandemic world. Given these positive expectations, I find LSPD stock really attractive for long-term TFSA investors after its recent dip.

CATEGORY

1. Investing
2. Metals and Mining Stocks

TICKERS GLOBAL

1. NYSE:FNV (Franco-Nevada)
2. NYSE:LSPD (Lightspeed Commerce)
3. TSX:FNV (Franco-Nevada)
4. TSX:LSPD (Lightspeed Commerce)

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. jparashar
2. kduncombe

Category

1. Investing
2. Metals and Mining Stocks

Date

2025/08/12

Date Created

2022/07/06

Author

jparashar

default watermark

default watermark