



## 2 TSX Growth Stocks That Are Screaming Buys in July

### Description

The **TSX Composite Index** just posted its worst quarterly losses since March 2020. The main Canadian market gauge fell by 13.8% to 18,861 in the second quarter after rising by 3.1% in the first quarter. While investors' fears about a looming recession and high inflation hurting corporate earnings accelerated the broader [market selloff](#) in June, the recent correction has made many high-growth TSX stocks look way too undervalued. Given that, it could be the right time for long-term investors to enter the market and add some quality growth stocks to their portfolio in July.

In this article, I'll highlight two such high-growth TSX stocks that are screaming buys this month.

### Aritzia stock

**Aritzia** ([TSX:ATZ](#)) is a Vancouver-based design house and apparel retailer that has a market cap of \$3.9 billion at the moment. After gaining huge popularity in women's everyday luxury clothing, the company [accelerated](#) its product expansion strategy last year for men by announcing the acquisition of Reigning Champ — a Canadian premium ethnic wear designer and manufacturer.

In its fiscal year 2022 (ended in February), Aritzia's sales jumped by 74.3% YoY (year over year), despite continued COVID-driven restrictions in many of its key markets. An outstanding 132% YoY jump in its sales in the United States and continued strong e-commerce segment performance helped the company post revenue growth last fiscal year. These are the key reasons why its adjusted earnings in fiscal 2022 jumped 178% YoY to \$1.53 per share.

While it's yet to announce its May quarter results, I expect Aritzia to maintain strong top and bottom-line growth, as it has an excellent track record of managing supply chain and logistics to meet the demand. Despite these positive factors, this high-growth TSX stock fell by nearly 32% in the June quarter due to the broader market selloff. That's why its recent dip could be an opportunity for long-term investors to buy it at a bargain in July.

## Shopify stock

**Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) is my second growth stock pick to consider in July. The shares of this Canadian e-commerce platform provider have tanked by nearly 77% in 2022 so far after it saw more than 52% value erosion in the second quarter. Nonetheless, Shopify's consistent product innovation and efforts to accelerate its financial growth further could help it post a sharp recovery in the coming months.

Last month, Shopify partnered with tech giants like Google and **Twitter** while unveiling over 100 product releases. I expect its recent innovations like Twitter shopping and Local Inventory on Google to encourage a large number of merchants to join Shopify's e-commerce platform, which should also accelerate its financial growth in the coming years.

Amid continued supply chain disruptions, Shopify is also striving to improve its fulfillment network and logistics. This is one of the key reasons why the Canadian tech giant announced the acquisition of e-commerce fulfillment firm Deliverr in May in a deal worth US\$2.1 billion. While these factors could help Shopify stock post outstanding returns in the long run, investors' high expectations from its June quarter results could help the stock start a recovery in July.

### CATEGORY

1. Investing
2. Stocks for Beginners

### TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:ATZ (Aritzia Inc.)
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. jparashar
2. kduncombe

### Category

1. Investing
2. Stocks for Beginners

**Date**

2025/08/26

**Date Created**

2022/07/10

**Author**

jparashar

default watermark

default watermark