Buy the Dip: 2 Top Canadian Stocks to Buy While the Market Is Selling Off

Description

Don't look now but the Canadian stock market is showing signs of life. The **S&P/TSX Composite Index** has jumped a couple of percent over the past week, giving the bulls a glimmer of hope that the selling may be over.

Let's not get too excited yet, though. Despite the recent rally, the previously mentioned index is still sitting at a loss of more than 10% on the year.

Whether or not we're gearing up for a bull market, I'm not letting it impact my investing strategy all that much. My focus continues to be on buying high-quality businesses with long-term growth potential and holding those positions for the long term.

I've reviewed two top Canadian stocks that are high up on my watch list right now. Both picks are also trading at very opportunistic discounts today.

If you've got a long-term time horizon, you'd be wise to consider starting a position in these two companies, especially at today's attractive prices.

Canadian stock #1: Shopify

I've already added to my **Shopify** (TSX:SHOP)(NYSE:SHOP) more than once this year and I'm likely not done buying yet.

The tech giant has seen its stock price come crashing down this year, alongside that of many other high-growth tech stocks. Shares are now down close to 70% on the year.

The tech sector as a whole has been taking a beating since late 2021. Valuations last year eventually got to a point where many investors were no longer comfortable buying. As a result, after years of delivering market-crushing gains, we've seen share prices of many top tech companies come back down to reality over the course of 2022.

For a stock down 70% in just over half a year, the business itself is still in great shape. Revenue continues to grow at a torrid rate and management is as focused as ever on the company's long-term growth.

Long-term investors that are looking to add some growth to their portfolio should have Shopify on their watchlist.

Canadian stock #2: goeasy

goeasy (TSX:GSY) may not have the same name recognition as Shopify but the two companies have produced very similar returns in recent years. Over the past five years, the home and personal loans provider is up close to 300%. In comparison, Shopify has returned just over 300%. Not too bad considering the Canadian stock market has returned less than 30% in the same time span.

Also similar to Shopify, goeasy is trading at a rare discount right now. The growth stock has felt the impact of a drop in demand for its financial services due to increased interest rates. It's difficult to say when interest rates will begin to climb back down. However, when that eventually does happen, it's fair to assume that goeasy will see demand return.

Shares are currently down 30% in 2022 and more than 50% below 52-week highs.

This is a Canadian stock with a market-beating track record that's hard to match. The company has been a consistent growth driver over the past decade, largely outpacing the returns of the Canadian stock market.

If Shopify's valuation is still too high for your liking, goeasy is a much more affordable growth stock with plenty of gas still left in the tank.

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