



Growth Stocks: Is Another Boom on the Way?

Description

The **TSX** today is down 12% year to date as of writing and almost 16% since heights reached at the end of March. It can be pretty tough as well for those who saw their once great growth stocks shrinking beyond repair — well, perhaps *almost* beyond repair.

Remember back in 2020 when the market crash happened? We all thought, “Wow, if only I had bought *then*.” Right now, we’re back at that time. We have so many opportunities with growth stocks that could absolutely explode in the next year, even the next few months! But that doesn’t make it an easy choice on the TSX today. So, let’s look at some options.

Stay away from trends

You don’t want to be the one who bought shares in a popular stock only to see it shrink a few months later. If you want companies that are going to last the test of time, you want growth stocks that are going to *keep* climbing.

For that, I’d look at a company like **WELL Health Technologies** ([TSX:WELL](#)). Sure, it had its time in the sun during the pandemic. But that time has passed, and yet the company continues to rake in cash hand over fish — even as it spends cash on acquisitions!

That makes it one of the strong growth stocks to consider on the TSX today. While it’s unlikely to reach the spotlight once more, it should climb back up when [tech stocks](#) rebound. Yet right now, it trades down 36% year to date and at just 1.4 times book value. Furthermore, analysts believe shares could *triple* in price in the next year alone. So, this is a solid one to consider.

Don’t attempt a market bottom

Yes, it would be fabulous if you could hit that *one* point when shares reached market bottom. But honestly, whoever hits that isn't planning on it, and it's guaranteed it's completely by accident. So, I would instead look for growth stocks that are completely oversold, even if it's not at market bottom.

One to consider would be **Canopy Growth** ([TSX:WEED](#))([NASDAQ:CGC](#)). Is the [cannabis industry](#) volatile? Absolutely. But it's not going to be forever. In fact, legalization could arrive sooner than we think in the United States with the Democrats pushing bill after bill to Congress. While most will fail in the next year or two, analysts agree it will eventually be legally federally — even if it takes state after state to get there.

Meanwhile, Canopy Growth stock is one of the growth stocks trading far below fair value. It currently trades down 70% year to date and just 0.4 times book value. While it's likely the company isn't going to reach that \$70 price point it once enjoyed for some time, you still could see shares soar in the next few years, as legalization becomes more of a reality.

Foolish takeaway

There is *always* a boom after a bust on the TSX. Look at decades of history on the markets if you don't believe me. And these growth stocks are primed to explode after such a huge drop in share price. While it will remain up to you if you hold them long term, you're bound to at least enjoy some stellar growth in the next year or months to come.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NASDAQ:CGC (Canopy Growth)
2. TSX:WEED (Canopy Growth)
3. TSX:WELL (WELL Health Technologies Corp.)

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