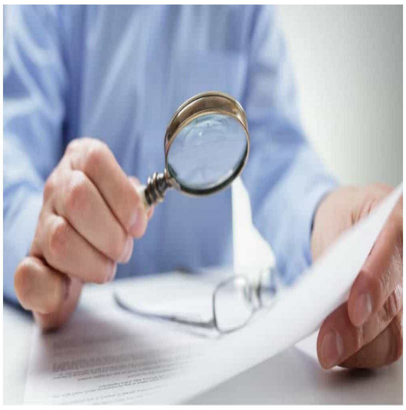

3 Top U.S. Stocks to Watch in October

Description

Canadian investors that are looking to go bargain hunting may want to try their luck in the U.S. stock market. The Canadian-based **S&P/TSX Composite Index** is sitting at a loss of just shy of 15% on the year. In comparison, the U.S.-based **S&P 500** is down an astounding 25% year to date.

Don't get me wrong, the TSX has no shortage of high-quality businesses that are trading at incredibly opportunistic discounts right now. But in the U.S. stock market, the extent to which proven multi-bagger stocks are being sold off is hard to ignore.

If you've been considering your portfolio's U.S. exposure, now would be a wise time.

Now is the time to buy if you're a long-term investor

Of course, there's a very real chance that the pain in the stock market is still far from being over. We may see this selling continue well into 2023. Or the stock market could be hitting its bottom right now. The point is, it's impossible to predict short-term market movements.

Rather than trying to time the market, I'd suggest focusing on building a watch list of companies that you'd be willing to hold long term. There's a good chance that quite a few of the stocks you choose are trading at discounted prices today.

I've put together a list of three U.S. tech stocks that are at the top of my own watch list right now. I'm a shareholder of all three companies already but will be looking to add to my position while prices remain low.

Adobe

A $20 billion acquisition overshadowed **Adobe's** (NASDAQ:ADBE) most recent quarterly earnings report. The market showed its disapproval of the major acquisition by sending the stock plunging close to 20% on the day of the company's earnings release.

An acquisition that size certainly does pose a significant risk. However, Figma, the web-based collaborative design platform that Adobe acquired, is poised for success. Figma is already cash-flow positive and boasts an incredible 150% net dollar retention rate.

Adobe is clearly past its high-flying growth days, but shares have still doubled the returns of the S&P 500 over the past five years.

Currently trading 60% below all-time highs for a proven market-crushing growth stock, this is a discount that is hard to pass up.

CrowdStrike

Contrary to many of its tech peers, **CrowdStrike** (NASDAQ:CRWD) has managed to outperform the broader market year to date. In fact, the cybersecurity sector as a whole has fared impressively well in 2022.

The cybersecurity industry is one area of the market that I'm hugely bullish on in the coming decades. It's a market that I don't anticipate we'll see declining demand in anytime soon.

CrowdStrike is still relatively new to the public market, but the tech stock has done a lot to impress investors in just three years. The stock has returned more than 150% since going public in June of 2019.

Block

The last pick on my list is the stock trading at the largest discount of the three. It's also a position of mine that I've added to more than once already this year.

After a surging bull run that started following the COVID-19 market crash, **Block** (NYSE:SQ) has seen its stock price crash 75% over the past 12 months. Shares are now trading at just about the same place as they were at the beginning of 2020.

Despite the massive selloff, the tech stock is still up a market-beating 80% over the past five years and more than 300% since going public in 2015.

The saying goes that strong, well-positioned companies are the ones that not only survive harsh market periods like this but come out of them even stronger. And as a fintech leader with a growing international presence, there's not a doubt in my mind that Block will be back to outperforming the market's returns sooner rather than later.

CATEGORY

1. Investing

2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:ADBE (Adobe Inc.)
2. NASDAQ:CRWD (CrowdStrike)
3. NYSE:XYZ (Block)

PARTNER-FEEDS

1. Business Insider
2. Flipboard
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