



3 Tech Stocks That Are Down 75% in a Massive Sale

Description

With so many stocks losing value in 2022, there are some great bargains out there for savvy investors that can keep a long-term mindset. And while there are stocks on sale in each industry, tech stocks have seen some of the most significant selloffs and are, therefore, some of the best stocks to buy on sale today.

When market environments shift and there's much more uncertainty, investors typically prefer stocks with defensive operations and strong profitability, especially ones with a track record. That's why defensive stocks are much less volatile.

However, just because tech stocks are out of favour in this environment doesn't mean they don't offer tonnes of long-term potential. Therefore, this selloff is actually an excellent opportunity to buy these stocks while they're so cheap.

And while many tech stocks are [undervalued](#) in this environment, here are three of the top tech stocks that are down over 75% to buy today.

One of the largest and best-known tech stocks to buy today

If you're looking for top Canadian stocks to buy now that you plan to hold for years, **Shopify** ([TSX:SHOP](#)) is easily one of the best to consider.

Shopify was one of the best growth stocks after it went public, but then it also saw significant tailwinds as a result of the pandemic. In the five years from 2015 to 2020, Shopify's revenue grew from \$205 million to just shy of \$3 billion.

However, as the pandemic has faded, and market conditions quickly shifted, Shopify has fallen completely out of favour.

In hindsight, it's now clear that Shopify may have been slightly overvalued when it peaked in value last year. However, it's also clear that the stock is well undervalued today, trading down over 82% from its

high.

Although e-commerce revenue has fallen slightly from pandemic levels, that's to be expected. Furthermore, both Shopify and the industry continue to report sales above pre-pandemic levels.

Therefore, with Shopify trading at a forward [enterprise value](#) (EV) to sales ratio of 4.8 times, which is considerably cheaper than what it was this time last year at 36.8 times its forward sales and well below its five-year average of 52.7 times, it's easily one of the best tech stocks to buy now.

A high-potential growth stock

Another Canadian tech stock that's seen a massive selloff in recent years and could offer major potential as the market rebounds is **AcuityAds Holdings** (TSX:AT).

AcuityAds Holdings is a stock that has a massive upside. It's even smaller than Shopify, so it's no surprise that investors view it as a high-risk investment.

One of AcuityAds's problems is that while it does have significant potential, it has faced growing pains launching its new proprietary self-serve advertising platform. And now, in this economic environment, advertisers have already been slowing their spending, which has been evidenced across multiple industries.

When the market can turn around, though, and AcuityAds has continued to build out its customer base, it has significant upside. Plus, not only does it offer major growth potential, but the stock is also trading ultra-cheap. For example, AcuityAds has a forward EV-to-sales ratio of just 0.4 times, which is unbelievably low.

If you're looking for a high-risk, high-reward stock to buy and hold for the long haul, I wouldn't be surprised to see AcuityAds trading above \$10 a share in a few years — a more than 300% return from today's price.

A top Canadian healthcare tech stock

WELL Health Technologies ([TSX:WELL](#)) is another incredible tech stock that you'll want to buy now while it's ultra-cheap.

The healthcare space offers a massive runway for growth for tech stocks that are disrupting the industry, and WELL has done an impressive job building a portfolio of telehealth businesses and digital health apps.

What's most impressive is that the company has grown its portfolio by acquisition but also focused on finding businesses that have strong organic growth potential.

Although the pace of its acquisitions has slowed this year, WELL's operations continue to grow, making the stock even more undervalued as it continues to sell off.

Right now, it has a forward EV-to-sales ratio of just 1.8 times, which is well off its three-year average of 6.1 times. Therefore, while WELL trades at a massive discount, it's one of the best tech stocks to buy

now.

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3. TSX:ILLM (AcuityAds)
4. TSX:SHOP (Shopify Inc.)
5. TSX:WELL (WELL Health Technologies Corp.)

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