



3 Best TSX Stocks of 2022: Are They Still Buys Today?

Description

If we look at the best-performing stocks for the year, there is a specific pattern. Most of the top picks come from the energy sector, and most of them are small-cap. To [diversify your portfolio](#), it's a good idea to consider the top performers from different sectors.

An energy stock

It's difficult to ignore the performance of the energy sector in 2022 when the **TSX Energy Index** has outstripped the market by such a significant margin: 59% growth compared to an 8.4% fall.

And it's easy to spot how exceptionally well small-cap energy companies like **Pieridae Energy** (TSX:PEA) have been performing. The company has grown its market value by almost 329% this year, and it's still going up.

Despite a fantastic run, the long-term potential of the energy sector is a bit uncertain right now. Pieridae Energy is an upstream and midstream company engaged in oil and natural gas exploration, as well as natural gas drilling, so it might keep soaring as long as demand for natural gas remains high through the winter.

But if the Russia-Europe energy supply is restored or OPEC ramps up oil supply, the energy sector in North America *may* see a correction.

A lithium stock

With EVs gaining traction in multiple markets, battery metal companies are also attracting a lot of investor attention. An example would be the performance of Vancouver-based **Sigma Lithium** ([TSXV:SGML](#)) this year. The stock has risen over 280% since the beginning of 2022. This bullish run stretches back to 2020, and growth since January 2022 has been well over 2,000%.

It's one of the few TSX stocks that hasn't gone through a proper correction phase after the impressive

post-pandemic bullish run. There were a few dips in both 2021 and 2022, but none of them were sizable.

The company is promising and is emerging as one of the lowest-cost [lithium](#) producers in the Americas, but the stock is quite overvalued right now and overdue for a correction. So, even if you're looking into it as an [ESG investing](#) prospect, it may not be a safe buy today.

An agricultural stock

Verde Agritech ([TSX:NPK](#)) is a UK-based fertilizer company that primarily operates in Brazil and is listed in Canada. Its operations cover the entire production cycle of potash-based fertilizer, from mining to production, and it already has two major brands under its name. However, its most promising operational avenue is the microorganism-based fertilizer that may increase crop yields by a significant margin.

Verde is a promising long-term stock, especially if its bid to become a world leader in microorganism-based fertilizer pays off, but now might not be the best time to bet on the company.

It has gone through two growth cycles in 2022, and overall growth in the year (so far) has been 142%. But the price seems inflated, and the stock is overvalued, so waiting and tracking might be a better strategy with Verde right now.

Foolish takeaway

These three stocks could be powerful long-term holdings if you buy them when they are [undervalued](#). There is still a small chance that they may not be able to deliver on their promise, but that's the risk you may have to take to leverage the amazing growth potential. Outstanding growth is very possible under the right circumstances, as evident from their 2022 performances.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Metals and Mining Stocks

TICKERS GLOBAL

1. NASDAQ:SGML (Sigma Lithium Corporation)
2. TSX:CVVY (Pieridae Energy)
3. TSX:NPK (Verde AgriTech)

PARTNER-FEEDS

1. Business Insider
2. Flipboard
3. Koyfin
4. Msn

5. Newscred
6. Quote Media
7. Sharewise
8. Smart News
9. Yahoo CA

PP NOTIFY USER

1. adamothonman
2. agraff

Category

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Metals and Mining Stocks

Date

2025/08/14

Date Created

2022/11/06

Author

adamothonman

default watermark

default watermark