



3 Growth Stocks to Buy Before the Down Market Is Over

Description

Some of the best growth stocks out there in 2022 remain a solid deal for investors. Sure, shares of these stocks continue to climb higher and higher, but in this poor economy, each remains a strong choice — especially if you're considering them as a long-term hold.

With that in mind, here are the top growth stocks of 2022 that I'd consider still valuable today.

Dollarama

Dollarama ([TSX:DOL](#)) has long been touted as a great buy during an economic downturn. Rather than purchase items at expensive chains, consumers tend to migrate to Dollarama stock to save a few bucks. Plus, it tends to be one of the last companies to increase its prices during inflation.

But there's more to this company that makes it one of the best growth stocks around. Revenue continues to climb year after year, partly because it also keeps opening new [store locations](#), but it also has a new Latin America chain under its wing.

Shares of Dollarama stock are now up 22% year to date and currently trade at 31 times earnings.

Saputo

Another of the top growth stocks to consider is **Saputo** ([TSX:SAP](#)), because if there's one thing we'll always need, it's [food](#). While Saputo stock focuses mainly on dairy products, it has a laundry list of brand names that sell in countries all around the world. And it just keeps growing and growing.

During its second-quarter report, Saputo stock saw net earnings up 48% year over year at \$0.35 per diluted share. Revenue rose 21% to \$4.46 billion, with adjusted net earnings hitting \$177 million. The growth came in part of higher prices across all sectors, especially in the United States. It was yet another quarter where Saputo stock beat out earnings estimates once again.

Shares of Saputo stock are up 23% year to date and trade at 36 times earnings.

Fairfax

Finally, **Fairfax Financial Holdings** ([TSX:FFH](#)) is the last of the top growth stocks investors should consider. While not cheap, it certainly offers growth that you can look forward to for years. This comes from its global presence in the insurance industry.

So, while a net loss was reported during this recent quarter, investors should note this was due to the investments in bonds, as interest rates rose. Even with the loss, revenue rose up to \$6.84 billion from \$6.71 billion the year before.

Shares of Fairfax stock are up 20% year to date, trading at 31 times earnings.

Bottom line

You'll notice that all three of these growth stocks may be up in the double digits but also hold a price-to-earnings ratio (P/E) in the 30s. This alone wouldn't mark value. However, during an economic downturn, such as the one we're experiencing, I would still consider these valuable stocks.

Part of this comes from the long-term performance of each of these companies. Dollarama stock, Saputo stock, and Fairfax stock have all been around for decades. Each has grown exponentially during that time and will likely continue to do so for decades more.

In fact, during the last two decades, Dollarama stock, Saputo stock, and Fairfax stock have grown 2,423%, 783%, and 742%, respectively. That's incredible growth, making these top growth stocks solid holds for years and years to come.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:DOL (Dollarama Inc.)
2. TSX:FFH (Fairfax Financial Holdings Limited)
3. TSX:SAP (Saputo Inc.)

PARTNER-FEEDS

1. Business Insider
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3. Koyfin
4. Msn
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