



Where to Invest \$10,000 Right Now

Description

The Canadian stock market is up close to 10% from just over one month ago. Stocks soared two weeks ago, as the U.S. reported that inflation may have peaked. It's still far too early to call this the bottom of the market downturn, but there's far more reason to be bullish now than there was a month ago.

The **S&P/TSX Composite Index** is now sitting at about a 5% loss on the year. Compared to the major U.S. indices, Canadian stocks have fared incredibly well in 2022. But just because the broader Canadian stock market isn't in turmoil doesn't mean there aren't any bargains out there. There are plenty of high-quality Canadian stocks trading at massive discounts on the TSX right now.

I've reviewed two sectors of the Canadian stock market that I'm bullish on for the long term. If I were to put \$10,000 into the stock market right now, I'd be looking at these two areas of the market first.

I've also picked out a market-leading company in each of the two sectors. I'm a shareholder of both companies already and will likely be adding to my positions shortly, as these must-buy prices may not be here for much longer.

Technology

The [tech sector](#) has been one of the most beaten-up areas of the stock market this year. After a dominating performance in the second half of 2020, it's not all that surprising to see the mass selling of tech stocks this year. The high-interest-rate environment has also been a huge pain point for unprofitable high-growth companies.

Short-term investors understandably may not be interested in buying a high-growth tech stock down more than 50% in 2022. Long-term investors, however, should not be on the sidelines right now. Who knows the next time we'll see top companies like **Shopify** ([TSX:SHOP](#)) trading at discounts like this?

Not long ago, Shopify was not only the largest tech company in Canada, but the largest on the TSX. But after dropping nearly 70% over the past 12 months, it's long given up that number one position.

Shares are trading at just about the same price as they were at the bottom of the COVID-19 market crash.

Despite the steep selloff over the past year, Shopify remains a global e-commerce leader with loads of growth still ahead of it.

I don't think it will be long before Shopify's price today will look like an absolute steal.

Renewable energy

The growing [renewable energy](#) sector is another area of the market that I'm long-term bullish on. The sector has fared somewhat surprisingly well in 2022. Despite the strong performance this year, though, many top renewable energy stocks are still trading well below all-time highs set in early 2021.

Brookfield Renewable Partners ([TSX:BEP.UN](#)) remains my go-to suggestion for any investor looking for exposure to renewable energy. The \$25 billion company is a global leader that owns a wide-ranging portfolio of green energy assets.

Shares have more than doubled the returns of the Canadian stock market over the past five years. And that's not even including the company's impressive 4% dividend yield either.

Down close to 40% from all-time highs, long-term investors won't want to miss this buying opportunity.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
2. TSX:SHOP (Shopify Inc.)

PARTNER-FEEDS

1. Business Insider
2. Flipboard
3. Koyfin
4. Msn
5. Newscred
6. Quote Media
7. Sharewise
8. Smart News
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