



Worried About Inflation? 2 Top TSX Stocks to Buy

Description

If you've noticed that prices are rising on everything from food to used cars, you are not alone. According to a recent report by *CBS News*, consumer prices rose in May at the fastest rate in nearly 13 years.

Most economists attribute these [skyrocketing prices](#) to the rapid reopening of the post-pandemic economy and ongoing supply-chain issues.

The impact of inflation

According to an analysis from Capital Economics, used vehicles, new cars and trucks, and furniture account for more than half of the rise in the price of goods since January 2020.

Vehicle prices have soared in combination with pent-up consumer demand and an ongoing shortage of semiconductors — an integral component of automotive vehicles. COVID-19 slowed production of these chips, most of which come from Asia. In turn, automakers cut their production of cars and trucks.

The lack of supply of new cars has driven many consumers to search for used cars, pushing up prices for pre-owned vehicles to historic highs. Since January 2020, prices for used cars and trucks have surged nearly 30%.

In addition to the surge in lumber prices, other raw materials are also getting more expensive. **Standard & Poor's** Global Commodity Index reported a five-year high on metals, such as aluminum, copper, steel, and iron ore. The fast uptick in the prices of raw materials affects the prices of everything from new construction to the manufacturing of furniture. In May, the index for household furnishings and operations grew at the fastest rate since the 1970s.

Food prices are also climbing. Prices for corn, grain and soybeans are at their highest levels since 2012, according to the *Associated Press*. Of course, these products form the basis for other food products creating a domino effect of rising prices at the grocery store.

If you are concerned about the lasting effect of inflation on your finances, history has shown that investing in high-quality stocks over the long term is a tool to combat inflation.

Tech companies have had an incredible growth streak over the past decade, and there is no reason to suggest that their climb will falter. Here are two top Canadian tech stocks to consider.

Nuvei

Montreal-based **Nuvei** ([TSX:NVEI](#)) is Canada's largest private and non-bank payment processor. The company offers an omnichannel payments solution capable of transacting mobile, online, in-store, and unattended payments.

Nuvei has a presence in over 200 global markets and accepts approximately 450 payment methods in 150 currencies, including cryptocurrencies. The company has a high-profile presence in the area of gambling and sports betting.

Shares of Nuvei have [gained nearly 90%](#) since the company's September IPO. The stock is trading at \$87.76, as of this writing.

Shopify

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) has grown from its humble beginnings to be one of Canada's greatest success stories. With a market cap of \$223 billion, Shopify is now the largest company in Canada.

Shopify's stock has soared over the past few years. After spending most of 2018 hovering around the \$200-per-share mark, the stock is trading at \$1,791.67, as of this writing.

The company's year-over-year total revenue has grown approximately 86%. In the first quarter, Shopify's revenue grew 110% over the same period last year.

And the company shows no sign of slowing down the growth of its services. This week, Shopify announced that its mobile payments technology Shop Pay will be available on **Facebook**, Instagram, and **Alphabet's** Google this year.

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1. Investing
2. Tech Stocks
3. Top TSX Stocks

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2. TSX:NVEI (Nuvei Corporation)
3. TSX:SHOP (Shopify Inc.)

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cdye

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