



3 “Sexy” Stocks for Fearless Millennial Investors

Description

Chasing “sexy” stocks is not for the faint of heart. You not only need the ability and willingness to take on elevated magnitudes of risk brought forth by the sexiest growth stocks at any given instance, but you also need a strong stomach to deal with the big ups and downs.

This piece will have a look at three of what I think are the sexiest TSX stocks that are suitable for fearless millennial investors who want to grow their wealth at an above-average rate over the long run. They’re pricey, hyper-growth stocks with incredible stories. And although their valuations may be suspect, young investors like millennials would be wise to add the following names to their radars and get at least a bit of skin in the game today, as they look to build a larger position over time.

Docebo

Last year, few investors had ever heard of **Docebo** ([TSX:DCBO](#)). The \$1.4 billion mid-cap tech firm has quietly been building a moat around its business over the years, as it carved out space for itself within the niche learning management system (LMS) market, which has exploded amid the pandemic-driven, do-everything-from-home trend.

The company may be small in stature compared to other cloud kings that have been driving the work-from-anywhere trend. But that doesn’t mean it lacks a moat. The company’s AI-leveraging platform is trusted by some well-established clientele. As Docebo continues picking up traction with its value-adding cloud offering through this pandemic, I suspect the company could find itself becoming a household name over the next year or so.

Shares aren’t cheap, but given the unstoppable momentum and the pandemic tailwinds, I’d say the 21 times sales multiple isn’t too much of a stretch for young investors who can handle the [volatility](#).

Lightspeed POS

Lightspeed POS ([TSX:LSPD](#)) never deserved to see its stock lose over 70% of its value back in the

February-March sell-off. That's why I've pounded the table on the stock amid its implosion on numerous occasions.

Today, shares have fully recovered, soaring over 280% since its bottom in March. As a near quadruple, Lightspeed POS seems like a dangerous momentum stock to own, as shares of the commerce enabler look to test its ceiling of resistance.

However, given the **Shopify**-like growth story, a case could be made that shares of LSPD, which currently trade at 20 times sales, could be worth a +40 times sales multiple just like Shopify. If you missed out on the Shopify's multi-year surge, LSPD, I believe, is a great catch-up trade given its growth story rhymes with that of Shopify's.

Dye & Durham

Last but not least, we have **Dye & Durham** ([TSX:DND](#)), a hot Canadian IPO that you probably missed because of the numerous COVID-19 headlines. The stock has nearly doubled since its July depths, and the valuation, I think, seems way too cheap in comparison to its Software-as-a-Service (SaaS) peers.

In a nutshell, Dye provides a cloud-based efficiency and productivity solution for clients for legal firms and various other businesses. In a prior piece, I'd noted that, like other value-adding SaaS firms, the company has explosive growth potential, as it looks to capture a slice of its niche market.

"Many prospective clients will quickly realize over the years that Dye & Durham's product is capable of saving considerable amounts of cash. Sooner or later, the platform may become indispensable for the players within the markets that Dye & Durham serves, much like Shopify is now a *must* for small businesses that need to get an online store up and running in the shortest amount of time possible." I wrote in a [prior piece](#).

Recent IPOs can be a tough hold, but if you're a millennial investor with a long-term horizon and a stomach of steel, Dye ought to be atop your shopping list.

CATEGORY

1. Investing
2. Stocks for Beginners
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POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. TSX:DCBO (Docebo Inc.)
2. TSX:DND (Dye & Durham Limited)
3. TSX:LSPD (Lightspeed Commerce)

PARTNER-FEEDS

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