



These 3 TSX Stocks Could Thrive in a Post-Pandemic Economy

Description

This year, the COVID-19 pandemic changed everyone's lives. It changed the way people live, learn, entertain, shop, and work. The digital world has become a part of everyone's real world. As people learn to live with COVID-19, the stocks that strike a balance between the real and digital world could thrive in the post-pandemic economy.

One of the biggest beneficiaries of the pandemic was the e-commerce industry. **Shopify** became the most valued stock on the **Toronto Stock Exchange**, with a market capitalization of over \$150 billion. Many companies that support e-commerce also surged. However, Shopify stock's rally has limited its upside potential, making it a good hold rather than a buy.

Three stocks that could thrive in the post-pandemic economy

But some companies were growing before the pandemic. They adjusted their business to the COVID-19 economy and grew even during the pandemic. Such companies could thrive in the post-pandemic economy.

Lightspeed stock

Lightspeed POS ([TSX:LSPD](#)) provides point-of-sale (POS) solutions to small- and mid-sized retailers and restaurants that run physical stores. Its omnichannel solutions help its clients manage inventory, payments, marketing, and purchases of various retail locations as well as online stores. The company's revenue surged 55%, and its stock surged 90% last year. Things were going well for the company before the pandemic.

Lightspeed's biggest nightmare came to reality in March when the pandemic-driven lockdown temporarily closes all restaurants and non-essential retail stores. The small stores found it difficult to sustain, and many closed down several locations. Lightspeed saw a steep fall in subscriptions. But then the e-commerce volume jumped in April, and the company caught the trend and expanded on it.

It did not take Lightspeed long to attract new retailers, as it offered the solution they needed to thrive in the post-pandemic economy. Today, the platform offers e-commerce stores, shipping, curbside pickup, online appointment booking, and order management features on a single platform. It maintains a balance between physical stores and online stores.

This [turnaround](#) reflected in its stock price, which not only recovered from its March low but even surged 18% year to date. This stock will continue to grow strong double digits in the post-pandemic world.

Descartes Systems

Descartes Systems ([TSX:DSG](#))([NASDAQ:DSGX](#)) provides supply chain management solutions to companies with complex supply chain operations. The supply chain management software market is forecast to increase at a CAGR of 12.1% between 2018 and 2024, according to [Research and Markets](#). And Descartes is outperforming the market, with its revenue growing above 15% in the last three years thanks to the complexities the U.S.-China trade war created.

The e-commerce wave is adding another layer of complexity to the supply chain, with challenges like doorstep delivery, order flexibility, and free shipping. These challenges saw an uptake of Descartes's solutions by e-commerce companies that has more than offset declines in airlines, automotive, and retail companies.

As the economy re-opens, it will see a recovery in demand from airlines, retail, and all other companies that were hit by the pandemic. At the same time, e-commerce growth will stay. Descartes stock surged 59% last year and 30.5% year to date. The stock will continue to grow strong double digits in the post-pandemic economy.

Cargojet

Cargojet ([TSX:CJT](#)) provides time-sensitive air cargo services through its fleet of 26 aircraft. The company was growing steadily for the last four years. But the pandemic imposed a travel ban on airlines that grounded passenger planes. Moreover, the e-commerce surge drove the need for time-sensitive cargo. The coronavirus spread also increased the transit of personal protective equipment and other medical supplies from Asia to Canada.

All these factors drove Cargojet's revenue 65% to an all-time high of \$196.1 million in the second quarter. As the travel ban eases, the company could see an ease in the medical supplies and e-commerce volumes, but this will be mitigated by a surge in transit of other goods.

Cargojet stock has been growing more than 20% every year for the last four years. Its stock surged 50% last year and 63% year to date. It will continue to grow in the post-pandemic economy.

The above three stocks were growing in the pre-pandemic economy and are set to grow in the post-pandemic economy, too.

CATEGORY

1. Coronavirus
2. Investing
3. Tech Stocks

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NASDAQ:DSGX (Descartes Systems Group)
2. TSX:CJT (Cargojet Inc.)
3. TSX:DSG (The Descartes Systems Group Inc)
4. TSX:LSPD (Lightspeed Commerce)

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