3 Ultra-High-Growth Stocks to Buy Right Now

Description

Despite the disruption from the COVID-19 pandemic, shares of a few **TSX**-listed companies continue to rise at a breakneck pace. While these ultra-high-growth companies have generated massive returns for their investors, the rally in these stocks is unlikely to end soon. The reason? All these companies benefit from secular industry tailwinds, suggesting that they have multi-year growth opportunities, which is likely to support the uptrend. Further, a large addressable market provides ample room for expansion and future growth.

Lightspeed POS

The fundamental change in the way we shop has created a multi-year growth opportunity for **Lightspeed POS** (TSX:LSPD)(NYSE:LSPD). The stock didn't disappoint either and rose over 328% from its March lows, reflecting a surge in demand for its omnichannel payment solutions.

The pandemic has further stepped up the pace of shift toward the omnichannel channel platform. Thus, an increasing number of small- and medium-sized businesses or SMBs are transitioning from their on-premise retail solutions to Lightspeed's cloud platform, resulting in a higher customer base and improved sales.

Lightspeed's customer base soared by over 50% in the most recent quarter. Meanwhile, its gross transaction volume growth rate is picking up the pace. I believe the secular industry tailwinds to continue to drive Lightspeed stock over the next decade. Besides, the company is well-positioned to benefit from its expanded product base and a large SMB market.

Kinaxis

Kinaxis (TSX:KXS) has consistently generated robust returns for its shareholders and has outperformed the broader markets over the past several years. Shares of the cloud-based supply-chain management software provider have more than doubled this year. Meanwhile, its stock has surged over 430% in five years.

The phenomenal rise in Kinaxis stock is backed by the sustained demand for its products and offerings. Besides, Kinaxis' fast-growing customer base and higher retention rate further supported its growth and drove its stock higher.

Despite the challenges from the pandemic, Kinaxis has raised its full-year sales outlook, which is encouraging. Its strong order backlog of US$333 million (at the end of 2Q) and sustained momentum in the SaaS, professional services, and license revenues are likely to drive double-digit growth in its top line.

Moreover, Kinaxis' acquisition of Rubikloud supports its penetration into the enterprise retail industry, which should further accelerate its growth and drive its stock higher in the coming years.

Dye & Durham

Shares of **Dye & Durham** (TSX:DND) nearly quadrupled from its initial public offering (IPO) price in about four months. However, the stock has witnessed massive selling in the recent past as temporary closure of courthouses weighed on its quarterly performance, in turn, dragged its stock down.

However, Dye & Durham stock's retracement presents an excellent buying opportunity for investors looking for ultra-high-growth companies. Dye & Durham's revenues and adjusted EBITDA could mark a robust sequential growth as the unlocking process has already begun.

Its strong blue-chip customer base, including law firms, government organizations, and financial service institutions and lower churn rate, presents a multi-year growth opportunity. Dye & Durham is also likely to benefit from its ability to acquire fast-growing businesses. The company made 14 acquisitions from 2013, and its strong balance sheet suggests that it remains well positioned to benefit from strategic acquisitions in the future.

CATEGORY

1. Coronavirus
2. Tech Stocks

TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. TSX:DND (Dye & Durham Limited)
3. TSX:KXS (Kinaxis Inc.)
4. TSX:LSPD (Lightspeed Commerce)

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