Millennials: 2 Unstoppable TSX Tech Stocks to Buy Right Now

Description

Millennials should seek to take some risks with their portfolios while they're still young and able to make up for any steep investment losses. The following TSX tech stocks are in the early innings of their growth stories. But with each name having more than surged in recent months, the valuations are on the lofty side, leaving each of them at risk of amplified losses in a broader market rotation out of expensive growth stocks.

Regardless, the following names could still have considerable long-term upside for fearless millennials who have the willingness to put up with excess amounts of volatility for a shot at outsized gains over the long term.

Although each name is expensive and overdue for a pullback, I think it'd be a wise idea to get at least a bit of skin in the game today in case each name continues to defy the laws of gravity. Both names are flirting with all-time highs at the time of writing, after having bounced back sharply from the September-October bout of volatility. Without further ado, consider the following:

Docebo

Docebo (TSX:DCBO) is a Learning Management System (LMS) software developer that's one of many cloud-leveraging tech stocks that have been a major beneficiary of the coronavirus pandemic. The work-from-home trend has been one of the biggest themes of the year. And with that, an increase in the demand for infrastructure that allows for digitization of work to minimize lost productivity while easing the pains of the office-to-home transition.

In many prior pieces, I've touted Docebo's roster of big-league clients. Docebo has been winningclients at a rampant rate this year, and the roster seems to get more impressive by the month.Although Docebo is still a relatively small mid-cap, it has one of the "moatiest" platforms in the nicheLMS space. Docebo is a cloud play, and an AI play rolled into one and given the magnitude oftailwinds behind the company's back, I wouldn't at all be surprised if the firm grows its market cap from$1.55 billion to north of $3 billion if we're due for another year of this "new normal."

Nuvei

Nuvei (TSX:NVEI) had a marvelous TSX IPO this year. Canadian tech investors have been longing for a digital payments play, and they got one with the rapidly growing Montreal-based firm. Shares of NVEI surged 6% on Wednesday on a broader tech relief rally on the second day of the U.S. election, which still has no clear winner as of this writing.

While a Joe Biden presidency doesn't bode well for growth stocks, I think that Nuvei is one of the names that millennial investors should seek to scoop up any time shares dip steeply. Just this month, analysts have been initiating coverage on the TSX newcomer, with five buy ratings and one hold. The most ambitious price target of $76 belongs to analysts at **CIBC**.

With room to increase market share and EBITDA margins, Nuvei is a compelling early-growth play that could pay give young investors a good shot at major gains over the next three years and beyond. The stock is not cheap at just north of 16 times sales (that's sales, not earnings). But with a high growth ceiling and a lower multiple than many other cloud stocks, I'd say NVEI is cheap for a recent IPO.

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2. TSX:NVEI (Nuvei Corporation)

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