



Don't Miss These Tech Stocks or You'll Kick Yourself in 3 Years

Description

The recent tech-to-value rotation (or [COVID-resilient to COVID-vulnerable rotation](#) if you'd prefer) sparked by the slate of fantastic vaccine news has been nothing short of [remarkable](#). With various mid-cap tech stocks taking a breather after skyrocketing for most of the year, now may be a good time to put some money in your favourite growth plays if you've yet to punch your ticket.

The rotation, I believe, is just an appetizer. The main course, which could come on the other side of this second COVID-19 wave, could bring forth continued weakness in the broader basket of **TSX** tech stocks. As they fall, that's precisely when I'd look to bounce before the rotation out of tech fully exhausts itself and the unfairly battered growth names have a chance to get back into rally mode.

Tech stocks worth owning for the long haul

If you want some of the best growth darlings, though, you're going to want to resist the urge to time the bottom. Not even the best technical analysts or traders in the world can catch bottoms on stocks consistently. Ironically, it's the pursuit of the exact bottom that leaves dip-buying investors farther away from it, as they look to buy after a potentially big bounce off the bottom.

After steep sell-offs, certain stocks tend to ricochet sharply, once investors on Main Street have a chance to recognize the embarrassing mispricing blunders made by Mr. Market.

So, without further ado, let's get right into the Canadian tech stocks that I think you should add to your watchlist right now. Younger investors who wouldn't mind stomaching a bit of volatility over the coming weeks and months may wish to nibble into a starter position as they look to build into a full position on the way down.

Any negative momentum is likely to be vicious if it turns out the market is not yet done with its rotation. As such, be ready to buy on the way down gradually, so at least you'll improve your chances of averaging a bottom or, at the very least, somewhat near the bottom.

Consider **Nuvei** ([TSX:NVEI](#)) and **Docebo** ([TSX:DCBO](#)), two early-stage growth companies that are

just getting started.

Nuvei

Nuvei is an electronic payments play that TSX-trading Canadians have been longing for. The Montreal-based firm had one of the most successful TSX Initial Public Offerings (IPOs) in history. The new tech issue was white-hot, and although the stock seems expensive, the stock could get much hotter over the next five years and beyond.

Yes, the Nuvei IPO was a big deal. But compared to the hype drawn by the likes of recent Silicon Valley IPOs south of the border, it becomes more apparent that Nuvei has been one of the “tamer” recent IPOs out there. Nuvei’s payment tech and the impressive management team led by the genius Philip Fayer are well-worth a lofty premium price tag.

Just how lofty a price tag? Probably more so than a 16x sales multiple. Should the stock be on the receiving end of a tech-driven sell-off, I’d get ready to load up. For now, feel free to initiate a quarter position as you look to scale in on further weakness.

Docebo

Docebo is quickly becoming a household name. The Learning Management System (LMS) up-and-comer has been on an incredible win streak in this pandemic-plagued year. Amid the work-from-home shift, there’s no denying the profound magnitude of the pandemic tailwinds enjoyed by Docebo.

As the vaccine is administered to the masses in 2021, the biggest pandemic beneficiaries will stand to sell-off further, especially firms that viewed the pandemic as more of a pull-forward in demand rather than a sustained acceleration to its business.

Docebo is in the latter category, and should be bought on any steep dips. The work-from-home trend probably isn’t going anywhere after COVID-19 is finally conquered and the pandemic ends. Many pundits, including the likes of Bill Gates, think that the future of work will be permanently changed as a result of this pandemic. In a work-from-anywhere type of post-pandemic world, Docebo is a winner that will continue winning even as pandemic tailwinds fade.

CATEGORY

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TICKERS GLOBAL

1. TSX:DCBO (Docebo Inc.)
2. TSX:NVEI (Nuvei Corporation)

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