



Got \$5,000? 3 Growth Stocks to Buy Right Now!

Description

Tech stocks led the market rally in 2020, pushing broader indexes to record highs. However, in the last few trading sessions, these stocks have come under the pump, as investors are worried about their steep valuations as well as rising bond yield rates.

But every market correction should be viewed as a buying opportunity for long-term growth investors. It allows you to buy quality stocks at a lower multiple. We'll look at three growth stocks that need to be on your radar right now.

Dye & Durham

The first company on this list is **Dye & Durham** ([TSX:DND](#)), a stock that went public on the TSX last July. DND stock is trading at \$40.23, which means it has returned 172% since its IPO. It is currently trading 25% below its record high.

Dye & Durham provides cloud-based software and technology solutions that aim to improve efficiency and increase productivity for legal and business professionals. It has operations in Canada, the U.K., and Australia and a base of blue-chip customers that include law firms, financial institutions, and government organizations.

Investors [are optimistic about](#) the company's growing customer base, high retention rates, and expanding geographic footprint that will allow DND to increase top-line growth at a rapid pace.

Dye & Durham has expanded inorganically as well in the past and acquired 20 companies since 2013. It valued at a market cap of \$2.6 billion indicating a forward price-to-sales multiple of 15.2, which is steep. However, DND is also forecast to grow revenue by 161% to \$171 million in 2021 and by 112% to \$362 million in 2022.

Analysts tracking the company have a 12-month average target price of \$57, which is 42% above the current trading price.

Lightspeed POS

Another growth stock that has lost momentum this month is **Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)). Its cloud-based platform powers SMEs (small and medium business enterprises) in over 100 countries. LSPD's integrated suite of solutions helps restaurants and retailers sell across multiple channels, manage operations, improve customer engagement and accept payments.

According to a research report by AMI Partners, there are 226 million SMEs all over the world that generated US\$59 trillion in revenue in 2018. This also includes 47 million restaurants and retailers, which is Lightspeed's target market.

Lightspeed ended the December quarter with 115,000 customers and no one customer makes up over 1% of the company's revenue. The company continues to benefit from a high retention rate and increased customer spending over time.

LSPD is valued at a market cap of \$9.35 billion, indicating a sky-high forward price-to-sales multiple of 35. However, the company is also forecast to grow revenue by 73.4% to US\$209.13 million in 2021 and by 69.4% to US\$354 million in 2022.

Analysts tracking the company have a 12-month average target price of \$83, which is 13.5% above the current trading price.

Cresco Labs

The final stock on the list is leading cannabis company **Cresco Labs** ([CNSX:CL](#)), which sells cannabis products in nine U.S. states. It [has licences](#) for 15 production facilities and 29 retail outlets. In the September quarter, Cresco increased its revenue by 323% year over year to US\$153.2 million, up from just US\$36.2 million in the prior-year period.

This growth in revenue meant Cresco's EBITDA increased to US\$52 million, up from just US\$11 million in the last year.

Cresco is valued at a market cap of US\$2.78 billion indicating a forward price-to-2021-sales multiple of just 3.5. Analysts tracking the stock have a 12-month average target price of US\$17, which is 32% above the current trading price.

CATEGORY

1. Cannabis Stocks
2. Investing
3. Tech Stocks

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. CNSX:CL (Cresco Labs Inc.)
2. NYSE:LSPD (Lightspeed Commerce)
3. TSX:DND (Dye & Durham Limited)
4. TSX:LSPD (Lightspeed Commerce)

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Author

araghunath

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