



## 3 Stocks That Could Make You Richer in April (and Beyond!)

### Description

The equity markets managed to stage a stellar comeback in 2020, despite the COVID-19 pandemic. The S&P 500 gained over 16% last year and the tech-heavy NASDAQ surged over 40% as well.

This impressive rally was driven by technology stocks, as remote work accelerated demand for e-commerce, collaboration, cloud computing, gaming, and social media products and services.

However, in the last month, a few tech companies have lost momentum and are trading below their record highs. Investors are worried about rising bond yields as well as high stock valuations resulting in a sell-off.

This provides you with an opportunity to buy quality growth stocks at a lower valuation. Let's take a look at three such companies right now.

### Nuvei

**Nuvei** ([TSX:NVEI](#)) is [a payment technology company](#) that provides solutions to merchants in North America, Europe, Asia Pacific, and Latin America. Its suite of solutions spans the entire payments stack, allowing merchants to accept payments in 200 markets and 150 currencies.

Nuvei provides currency management, risk, and chargeback management, merchant enrollment, cash flow management, and other related solutions. Its revenue is transaction-based and derived from merchants' daily sales as well as various fees for value-added services.

In the December quarter, Nuvei reported sales of \$115.88 million, compared to \$79.32 million in the prior-year period. In 2020, sales rose to \$375 million, up from \$245 million in 2019. Analysts expect sales to reach \$593.4 million in 2021 and \$703 million in 2022.

Adjusted earnings are also forecast to grow at an annual rate of 42.75% in the next five years. These growth rates allow Nuvei to support its high price-to-sales multiple of 29 and price-to-earnings ratio of 53.5.

## Etsy

**Etsy** ([NASDAQ:ETSY](#)) [ended 2020 with](#) 81.9 million active buyers and 4.4 million active sellers. It has successfully created a marketplace for handcrafted and vintage products and is now the fourth-largest e-commerce platform south of the border.

Etsy's revenue rose from \$441.2 million in 2017 to \$1.73 billion in 2020, indicating an average growth rate of 58%. Comparatively, the average buyer growth rate was up 35% in this period, indicating an increase in customer engagement.

In 2020, Etsy's gross merchandise sales were up 107% year over year, while revenue rose by a stellar 111% and net income soared 264%. This growth is expected to continue in 2021, as management forecast gross merchandise volume to increase between 115% and 125% in Q1 of 2021. It also expects revenue to grow by 135% year over year in the March quarter.

## Aritzia

**Aritzia** ([TSX:ATZ](#)) is a retail fashion brand that has over 100 locations in North America. While the pandemic decimated the retail sector, Aritzia managed to offset a part of its losses by leveraging e-commerce sales.

In the fiscal third quarter of 2021 (ended in November) Aritzia's net sales were up 4.1% at \$278.3 million. Comparatively, e-commerce revenue rose by 78.5% year over year. In the last three quarters, Aritzia's net sales were down 16.4% year over year at \$590 million.

While sales are forecast to decline by 14% year over year in fiscal 2021, it's expected to increase by 35.7% to \$1.14 billion in 2022.

Between fiscal 2016 and 2020, Aritzia increased sales at an annual rate of 16%, while adjusted EBITDA and net income were up 19.4% and 25.1%, respectively, in this period.

### CATEGORY

1. Investing
2. Tech Stocks

### POST TAG

1. Editor's Choice

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2. TSX:ATZ (Aritzia Inc.)
3. TSX:NVEI (Nuvei Corporation)

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