Canadians: 2 Revolutionary Growth Stocks to Buy on Sale!

Description

Canadians don't need to venture south of the border for their high-tech growth exposure any longer, not with the growing number of revolutionary growth stocks on the **TSX Index**. In this piece, we'll have a closer look at three Canadian stocks that may soon attract the attention of our growth-savvy friends to the south, as **Shopify** stock has over the past few years.

Without further ado, consider **Docebo** (TSX:DCBO)(NASDAQ:DCBO) and **Dye & Durham** (TSX:DND). Two early-stage growth stories that young Canadian investors should subscribe to today.

A great play on the future of work

Docebo is becoming more of a household name after a pandemic-plagued year that forced many workforces to embrace work from home. Working from home can be tough. Productivity can be lost, and that calls for infrastructure like Docebo's AI-leveraging offering that can minimize or even enhance the productivity of remote workforces.

Things are bound to return to normal with vaccines rolling out, and many remote workers will be heading back to the office. Some firms may be more inclined to stick with the work-from-home model, either due to productivity enhancements, cost savings, or both. Many pundits argue that work-from-anywhere is the future and that we'll witness a blend of remote and office work once the pandemic is over.

If this is, indeed, what will happen, office real estate will take a permanent blow. And WFH plays like Docebo will be taking budget that would have otherwise been spent on leasing pricy office space.

Docebo is one of many revolutionary growth stocks to play the future of work. And right now, I think the stock seems too cheap for its own good. The name is off 30% from its high but could be in a position to bounce once the sellers exhaust themselves. Yes, Docebo still looks expensive at 24 times sales. But is it really that expensive given the massive total addressable market that the firm can carve out for itself over the coming years? I'd argue it's not.

Worth paying up for!

Dye & Durham is another productivity-enhancing software company that's harnessed the power of the cloud. The firm has narrowed its sights on its niche (legal and business), and it's going after it in a big way. As most other software companies spread themselves too thin, Dye & Durham is perfectly fine with building upon its moat.

The stock recently surged 10% on Thursday, an explosive move that could be the start of a sustained rally to even greater heights. The company posted some impressive (nearly triple-digit) growth numbers in its last quarterly report. Even after the recent pop in the revolutionary growth stock, I don't think the valuation fully reflects Dye's longer-term potential.

Like Docebo, DND stock trades at a ridiculously high price-to-sales (P/S) multiple. After the latest pop, DND boasts a P/S north of 33.

While that seems expensive, is it really given the growth you're getting? Analysts certainly don't seem to think so. Robert Young of Canaccord Genuity has a $60 price target on shares, implying another 34% worth of upside could be in the cards.

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2. TSX:DCBO (Docebo Inc.)
3. TSX:DND (Dye & Durham Limited)

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