2 of the Best Canadian Growth Stocks to Buy in May and Go Away

Description

The first-quarter correction in the tech-heavy **Nasdaq 100** has opened up a great buying opportunity for those on the hunt for some of the best Canadian growth stocks this May.

While the Nasdaq 100 itself has already recovered from its nasty first-quarter spill, thanks in part to retreating U.S. bond yields, some of the more speculative growth stocks haven't participated in the recent relief rally to the full extent.

Some of the best high-growth stocks are still in a bear market (that's a peak-to-trough decline of at least 20%), and I think they're still great buys, even as the broader markets continue their ascent. While speculative growth isn't out of the woods yet (bond yields could climb again), I still think they're worth picking up here, as it's likely not curtains for growth stocks yet.

I have no idea where bond yields are headed next and the implications on the stock market. Regardless, I'd still encourage investors to buy the bargains as they come along. Because, as we've witnessed over the past few weeks, rotations can work both ways, so now is not a great time to be lowering the bar on the growth stocks on your radar.

Without further ado, consider buying the following Canadian growth stocks if you seek a deal this May:

Lightspeed POS

Lightspeed POS (TSX:LSPD)(NYSE:LSPD) is a Canadian commerce enabler that skyrocketed 625% from peak to trough. Back when the stock collapsed, shedding over 70% of its value in just weeks, I pounded the table on the stock, noting that the firm had the technology to help its at-risk clients weather the coronavirus storm that was to hit.

I viewed Lightspeed as an on ramp for retailers that weren't up to speed with e-commerce. As Lightspeed's clients recover from the COVID-19 crisis, Lightspeed will stand to benefit in a big way as it continues to build upon its innovative offerings.

The stock is not cheap here, and it's not profitable either, which leaves the name at risk of amplified downside should U.S. bond yields start climbing again. If you're a venturesome investor who's willing to average down, Lightspeed POS stock may be a great pick-up amid its latest tumble.

Shares are down 22% from their highs — and they could get cut in half when all's said and done. If you've got the stomach to hold, only then would I recommend getting in on a name with a growth story that, in many ways, rhymes with that of **Shopify**'s.

Docebo

As a Learning Management System (LMS) or e-learning solution provider, **Docebo** (TSX:DCBO)(NASDAQ:DCBO) could take a hit once the pandemic finally ends, and people start heading back to the physical realm. If you're in the camp that believes the pandemic was an accellerant for the work-from-home (WFH) trend and not just a short-lived jolt, the recent damage done to Docebo stock may prove to be severely overdone.

Docebo stock recently collapsed, shedding over 40% of its value from peak to trough in the first quarter. Now down 32% from its high, Docebo stock could be in a spot to resume its epic rally. The company won some big-league clients in 2020, and I believe it will continue to build upon such strength for many years to come, as the demand for remote infrastructure should remain high, as some work forces look to embrace a work-from-anywhere model.

Similar to Lightspeed POS stock, Docebo is not for the faint of heart. The stock is expensive at north of 24x sales, and it could crumble like a paper bag if rates were to climb again. Make sure you understand the risks and average into a full position, as Docebo stock will continue to be nothing less than wildly volatile.

CATEGORY

1. Investing
2. Stocks for Beginners
3. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. NYSE:LSPD (Lightspeed Commerce)
3. TSX:DCBO (Docebo Inc.)
4. TSX:LSPD (Lightspeed Commerce)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise

7. Yahoo CA

Category

1. Investing
2. Stocks for Beginners
3. Tech Stocks

Date
2025/07/08
Date Created
2021/04/20
Author
joefrenette