



## 4 of the Best Canadian Growth Stocks to Buy in April 2021

### Description

Canadian stocks have been enjoying a nice run-up in 2021. Investor sentiment has once again returned to Canada's much-loved value (financials and industrials) and cyclical stocks (lumber, energy, and base metals). Yet, oddly enough, a number of great quality Canadian [growth stocks](#) have failed to enjoy the rally. To me, this temporary dislocation looks like an intriguing opportunity to buy up some long-term-growth businesses.

### A Canadian point-of-sales stock

**Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)) is certainly not a cheap growth stock by any means. It trades with a price-to-sales multiple of 60 times! It is not yet earnings positive either. Rather, it is focusing on growing geographic reach and capturing market share. Consequently, investors can expect a certain level of volatility with this Canadian stock. Keep in mind, that this stock has a higher level of risk, but also a higher level of reward (kind of like **Shopify**).

Yet this business is growing very rapidly across the globe. It has been growing revenues by +30% for the past four years. Its omni-channel point-of-sales software has actually proved a lifesaver for many merchants during the pandemic. Consequently, Lightspeed's business performed with resilience in 2020. The company just dipped after [acquiring Vend](#), so today could be an attractive long-term entry point.

### A Canadian healthcare stock leading in the United States

**VieMed Healthcare** ([TSX:VMD](#))([NASDAQ:VMD](#)) is perhaps lesser known, largely because 100% of its business operates in the United States. It is a leading provider of respiratory therapies and ventilator services across America. After the pandemic, many healthcare providers are looking to outsource non-essential therapies from hospitals to people's homes. VieMed fits into this trend perfectly.

VieMed has a large addressable market of patients that require its services. It has completed numerous studies that confirm its in-home care provides patients better health outcomes and also save

healthcare providers a lot of money. It's a win-win!

Out of the pandemic, VieMed expects to return to organic growth of +30% per annum. The company has a great balance sheet, so it is also primed for an acquisition or two this year — not to mention, the stock is pretty cheap here.

## A new tech IPO

Another intriguing Canadian growth stock is **Telus International** ([TSX:TIXT](#))([NYSE:TIXT](#)). Telus International received a lot of attention when it was spun out of **Telus** in February 2021. Yet the stock has largely declined since its initial public offering.

I think this presents a great opportunity for investors. Unlike Lightspeed, TIXT is a Canadian growth stock that is actually profitable. In 2020, it grew revenues, earnings per share, and EBITDA by 55%, 27%, and 74%, respectively.

This Canadian stock has very strong platform in digital customer experience. It just acquired a very unique data analytics and artificial intelligence business that should help differentiate its level of services. Many large tech businesses are now outsourcing their customer service platforms, so I think TIXT still has a large growth opportunity ahead.

## A global unified communications provider

**Sangoma Technologies** (TSXV:STC) is a great way to play the work-from-home trend and the return-to-work recovery. It provided unified communications solutions that enable small- to mid size businesses to operate communications systems remotely and in-office. It provides an all-in-one solutions platform helps smaller businesses avoid cumbersome contracts with multiple communications providers.

Sangoma just acquired a very complementary business (Star2Star) that will provide it broader solutions and geographic diversification. Consequently, the combined entity will have a size and scale to compete very strategically across the world.

Pre-acquisition, this Canadian stock was growing revenues by a CAGR of over 50% since 2016. Post-acquisition, I believe the opportunities for synergies, cross-selling, and innovation could accelerate growth further. This stock looks really attractive for a long-term buy today.

### CATEGORY

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

### TICKERS GLOBAL

1. NASDAQ:VMD (Viemed Healthcare)
2. NYSE:LSPD (Lightspeed Commerce)
3. NYSE:TIXT (Telus International)

4. TSX:LSPD (Lightspeed Commerce)
5. TSX:STC (Sangoma Technologies Corporation)
6. TSX:TIXT (Telus International)
7. TSX:VMD (Viemed Healthcare)

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