



3 Growth Stocks That Could Be Good for Long-Term Investing

Description

The recent pullback in growth stocks trading on the **TSX** is creating excellent opportunities for value investors seeking long-term growth. Today I will discuss three growth stocks that could be a bargain, despite some of them having high valuations. Adding these stocks could help you capitalize on the underlying companies' [massive upside potential](#).

Lightspeed POS

Lightspeed POS ([TSX:LSPD](#))([NYSE:LSPD](#)) has been one of the best-performing stocks in the last two years. The high-growth tech stock launched on the TSX in March 2019, and it has soared. The stock is trading for \$85.70 per share, boasting a 353% increase in its valuation in just two years.

While the stock has been a fantastic growth story on the TSX, but it's priced too high right now. Its high valuation could be a reason for Lightspeed's recent volatility. As long as it does not reach a more favourable price-to-sales ratio, the volatility will likely remain. The volatility might be worth it for many investors due to its impressive growth potential.

Now could be an ideal time to establish a position in this growth stock.

Dye & Durham

Dye & Durham ([TSX:DND](#)) is a company that only recently became public, but it could be trading at a discount compared to its upside potential.

Since its launch on July 17, 2020, the stock has appreciated by over 180%. The stock's rapid growth has slowed down in recent months. It is down by just over 20% from its highest valuation in February 2021.

While Lightspeed may have more growth potential than DND, the company's shares are not as expensive as Lightspeed. DND offers cloud-based software to help its clients organize their records. Its

tech solutions are in high demand from government, financial, and legal entities. It has huge upside potential.

goeasy

goeasy ([TSX:GSY](#)) is the only stock among the three that is not trading for a discount right now. Its valuation is near its all-time high, and its shares have been climbing consistently since March 20, 2020. Unlike Lightspeed and DND, goeasy is not priced as high as a growth stock, but it has been performing like one.

Its valuation is up by almost 730% in the last five years. Its growth in the last decade has been fantastic. Despite such a stellar growth, it boasts only a \$2.36 billion market capitalization. While I will not likely expect it to exhibit the same performance over the next decade, its low market capitalization suggests there is still plenty of room for it to grow.

A consumer-focused financial services company, goeasy offers customers all types of loans. With pent-up consumer demand rising along with higher than usual savings, we could see a return to spending. goeasy could have substantial business coming its way in the post-pandemic economy.

Foolish takeaway

Growth stocks cooled down after an outstanding year in 2020 despite all the challenges. Many Canadian investors have rotated out of high-priced tech stocks and move to value stocks. The recent pullback in the tech sector could be an ideal opportunity to load up on growth stocks with excellent long-term prospects.

Lightspeed POS, Dye & Durham, and goeasy could be excellent picks for investors seeking growth stocks with a [long investing horizon](#).

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. TSX:DND (Dye & Durham Limited)
3. TSX:GSY (goeasy Ltd.)
4. TSX:LSPD (Lightspeed Commerce)

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Author

adamothonman

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