



## Lightspeed vs. Nuvei: Which Is the Better Tech Stock to Own Today?

### Description

The [Information Technology \(IT\) sector](#) benefited from a rebound on the **S&P/TSX Composite Index** in mid-morning trading on May 7. Overall, the TSX Index was up 138 points at the time of this writing. Today, I want to look at two of the most exciting tech stocks available on the Canadian market. **Lightspeed** ([TSX:LSPD](#))([NYSE:LSPD](#)) and **Nuvei** ([TSX:NVEI](#)) are relative newcomers on the TSX that have rewarded shareholders over the past year. Which is the better buy today? Let's jump in.

### The rise of e-commerce has powered stocks like Lightspeed over the last year

Lightspeed is a Montreal-based company that provides commerce enabling Software as a Service (SaaS) platform for small and midsize businesses, restaurants, retailers, and golf course operators. Shares of this tech stock have dropped 10% in 2021 as of late-morning trading on May 7. Lightspeed stock is still up 187% from the prior year.

The e-commerce market has gained huge momentum during the pandemic. According to United Nations trade and development experts, the sector saw a “dramatic” rise in its share of retail sales in 2020 from 16% to 19%. Moreover, Internet sales increased from one in five transactions in 2019 to one in four transactions in 2020.

I'd [suggested](#) that investors should look hard at Lightspeed stock last month. The company will unveil its final batch of fiscal 2021 results on May 20. In early May, Lightspeed announced that it will partner with the U.S. Small Business Administration to expedite hospitality industry relief. Restaurants and other service industries have been hammered by the pandemic. Lightspeed's expertise could be key in the recovery efforts for many small and midsize business owners in the months ahead.

### Nuvei: Why this tech stock IPO has me excited

Nuvei made its debut on the TSX in the middle of September 2020. Its shares started hot out of the

gate. The tech stock has climbed 15% in 2021 at the time of this writing. It is set to release its first-quarter 2021 results on May 10. I'd suggested Nuvei as a [great growth option](#) in the latter half of April.

This company provides payment technology solutions to merchants and partners around the world. In 2020, Nuvei delivered revenue growth of 53% to \$375 million and adjusted EBITDA jumped 87% to \$163 million. The TSX newcomer also benefited from e-commerce growth in 2020. Total volume rose 76% to \$43.2 billion and e-commerce represented 76% of total volume. That means Nuvei is well positioned to post growth on the back of the same trends that are propelling Lightspeed.

Nuvei possesses a strong balance sheet, and it is on track for good earnings growth in the quarters ahead. Yesterday, Nuvei announced that it was set to acquire the FinTech and cryptocurrency start-up Simplex for US\$250 million. This will bolster the company's ability to offer alternative payment methods.

## Which tech stock should you snatch up right now?

Both tech stocks are well worth stashing for the long term, as the e-commerce sector erupts. However, I'm leaning towards Nuvei, as it has greatly improved its global footprint and just scored an attractive acquisition in the form of Simplex.

### CATEGORY

1. Investing
2. Tech Stocks

### TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. TSX:LSPD (Lightspeed Commerce)
3. TSX:NVEI (Nuvei Corporation)

### PARTNER-FEEDS

1. Business Insider
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### Author

aocallaghan

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