



## 3 High-Growth Canadian Stocks I'm Buying Right Now

### Description

If you want to beat the Canadian stock market, you either need to be a contrarian or you need to think of the future. The only way to garner returns that are better than a [stock index](#) is to think differently than the rest of the market. You can't invest in average ways if you want better-than-average returns.

### If you want to beat the market, you have to be contrary

Certainly, this is never easy. Often in the short term it can, in fact, be very painful. However, if you are patient by buying stocks that the stock market does not yet understand or recognize, you can make a lot of money. Considering this dynamic, here are three top Canadian growth stocks I am looking to buy right now.

### A Canadian point-of-sales stock

The first top Canadian growth stock is **Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)). Year to date, Lightspeed stock is down 2%. I am actually encouraged by that fact. This stock is a high-growth stock, but it also has a hefty valuation.

It trades with a price-to-sales ratio of 50 times. While that is absolutely bonkers, it did just release fourth-quarter results where annual revenues grew by 84%! That was despite the pandemic looming over its restaurant- and retail-focused merchants.

Lightspeed has made some really attractive acquisitions in the past few years. Likewise, it has really been diversifying and enhancing its platform offerings.

There are literally hundreds of thousands of merchants on clunky, legacy sale systems. Lightspeed's omni-channel, cloud-based solution is a perfect disruptor. The company is [predicting more than 100% growth in 2021](#), so this story looks like it is only getting started.

## A top 2021 Canadian IPO stock

Another Canadian growth stock that has been suffering from weak momentum in 2021 is **Telus International** ([TSX:TIXT](#))([NYSE:TIXT](#)). In February, **Telus** spun out its digital customer experience platform as a standalone, publicly listed business. While Telus's telecom business chugs away, Telus International has been growing revenues by more than 50% a year. Not only that, but its business is profitable and generating free cash flows. For the high-growth world of stocks, a stock that is both profitable and fast growing is a rarity.

Telus International is rapidly becoming the vendor of choice for outsourcing customer interaction activities. Some of the world's largest tech giants like Google, utilize Telus International to better understand and serve its customers.

This Canadian stock recently acquired a leading data analytics and annotation firm. It gives Telus International a leading edge and a competitive moat, as there are only a few businesses that master in that space. Its stock has not done anything since its IPO, but I believe the market will start to recognize the quality of this business over time.

## A leading communications software provider

The last contrarian stock Canadian investors should look at is **Sangoma Technologies** (TSXV:STC). It provides a one-stop shop of unified communication solutions for small- to medium-sized businesses. Since 2016, this Canadian stock has grown revenues by a compounded annual growth rate of 58% a year. Not only that, but it is also profitable. In 2021, adjusted EBITDA is expected to hit \$30 million this year.

Sangoma just acquired a large cloud-based communications software provider in America. Consequently, it expects 75% of revenues to be recurring on a go-forward basis. That is industry leading. Likewise, the acquisition gives Sangoma broader size, geographic scale, and, ultimately, greater product/service variety.

This Canadian stock has been on a steep decline since February. However, it is really starting to look attractive. It has an enterprise value to EBITDA ratio of only 17 times. Most peers in this segment are not even profitable and trade at highly elevated price-to-sales ratios. Given this, I believe this stock has a lot of room to rebound.

### CATEGORY

1. Investing
2. Tech Stocks

### POST TAG

1. Editor's Choice

### TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. NYSE:TIXT (Telus International)
3. TSX:LSPD (Lightspeed Commerce)
4. TSX:STC (Sangoma Technologies Corporation)
5. TSX:TIXT (Telus International)

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