



4 Rallying Canadian Stocks to Buy Right Now

Description

The Canadian equity markets have continued their uptrend, with the benchmark index, the **S&P/TSX Composite Index** rising by 6.2% this quarter. The returning of jobs and the expectations of robust recovery appear to have driven the equity markets higher. Meanwhile, the following four stocks have comfortably outperformed the broader equity markets by rising over 15% during the quarter. Let's examine whether the uptrend could continue.

Nuvei

Nuvei ([TSX:NVEI](#)), which provides payment technology solutions to merchants and partners worldwide, has increased by 18.8% during this quarter. The [impressive first-quarter performance](#) and acquisitions appear to have increased investors' confidence, driving its stock price higher. During the quarter, its top line and adjusted EBITDA grew 80% and 97%, respectively. Meanwhile, its total volume increased by 132% to US\$20.6 billion due to new customer wins and volume growth from current customers.

Meanwhile, I expect the uptrend to continue amid the increased adoption of online shopping and a secular shift to the omnichannel selling model. Further, the company has signed definitive agreements to acquire Mazooma Technical Services and Simplex. These acquisitions would strengthen Nuvei's position in the United States's online gaming and sports betting industry and cryptocurrency markets. So, given its multiple growth drivers, [I am bullish on Nuvei](#).

goeasy

Supported by its solid first-quarter performance and acquisition of LendCare, **goeasy** ([TSX:GSY](#)) has returned 16.6% during this quarter. Amid 13% growth in its loan origination, its loan portfolio increased to \$1.28 billion by the end of the quarter. Further, its top line and adjusted EPS grew 1.8% and 66% year over year, respectively. Meanwhile, I expect the uptrend in the company's stock price to continue amid the rising demand for its services, improvement in profitability, and its attractive valuation.

Amid the gradual reopening of the economy, the demand for the company's services could increase in the coming quarter. Further, the company has expanded its product offerings and ventured into new industry verticals through its acquisition of LendCare. Despite its stock price growth, the company still trades at an attractive forward price-to-sales multiple of 14.1. The company also rewards its shareholders at a healthy dividend yield of 1.8%.

Docebo

After a sell-off in the first quarter, **Docebo** ([TSX:DCBO](#))([NASDAQ:DCBO](#)) is witnessing solid buying during the quarter, with its stock price rising by 15.9% so far. Despite the rise, the cloud-based LMS (learning management solutions) provider still trades 27.8% lower than its 52-week high, presenting an excellent buying opportunity. Supported by its acquisition of new customers and average contract value growth, its top line has grown at a CAGR of 38.5% over the last four years.

Meanwhile, the demand for the company's services could sustain, as more businesses are adopting digital learning tools to upskill or reskill their employees, given its convenience and cost effectiveness. Amid the favourable industry trend, Docebo's growing customer base, long-term contracts, and high customer-retention rate could continue to drive its financials and stock price.

BlackBerry

After witnessing a very volatile first quarter, **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) is trading 15.2% higher for this quarter. Given its multiple growth drivers, I believe the uptrend in the company's stock price to continue. The increased digitization and remote working have increased cybersecurity spending, which could benefit BlackBerry. Further, the company is launching innovative products to capture the expanding addressable market. It also recently partnered with **IBM** to expand its reach across Canada.

BlackBerry also provides embedded solutions to automotive companies, with its QNX platform running in over 175 million cars. Amid the shift towards autonomous and electric vehicles, the demand for these solutions is rising. So, I believe BlackBerry's recent partnership with **Amazon** Web Services and **Baidu** could be vital in expanding its footprint in the EV market.

CATEGORY

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1. Editor's Choice

TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. NYSE:BB (BlackBerry)
3. TSX:BB (BlackBerry)

4. TSX:DCBO (Docebo Inc.)
5. TSX:GSY (goeasy Ltd.)
6. TSX:NVEI (Nuvei Corporation)

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