



## Crypto Regulatory Crackdown: 3 Digital Stocks to Buy

### Description

Bitcoin is down 40% from its April high after the crypto world was hit by a regulatory crackdown. The United Kingdom has banned crypto trading. Britain's Financial Conduct Authority (FCA) has banned the world's largest crypto exchange Binance Markets Limited from June 30. This comes after China banned crypto mining, trading, and even crypto-related searches on **Baidu**. This [regulatory crackdown](#) is not ending anytime soon for these digital currencies. Don't let the crypto wars impact your portfolio. Buy these [digital stocks](#) instead.

### Nuvei stock

**Nuvei** ([TSX:NVEI](#)) is a new player in the TSX, with its initial public offering (IPO) coming in September 2020, when digitization was at its peak. It is a payments-processing platform that helps merchants process transactions in about 150 currencies, 40 cryptocurrencies, and through +470 alternative payment methods. It taps online retailers, gaming apps, e-commerce, digital goods, travel, and regulated financial services, offering them pay-in and pay-out services across 200 markets.

Nuvei is looking to establish its position in a market that is led by companies like **PayPal**, Fiserv, and **Square**. MarketsandMarkets expects the global payment-processing solutions market to surge at a compounded annual growth rate (CAGR) of 10.2% between 2020 and 2025. Nuvei is growing fast through acquisitions. Its 2020 revenue increased 53% to US\$375 million and expects the revenue to surge 60% in 2021.

While it is too early to comment on Nuvei's ability to compete with the market leaders, it has the benefit of having a high growth rate of a small player. It can continue to grow double digits for the next three years without being noticed by the leaders.

### Dye and Durham stock

**Dye & Durham** ([TSX:DND](#)) is another new name in the digital market. It started trading on the TSX in July 2020 and surged 255% by February 2021 on the back of the tech stock rally.

The company provides cloud-based software and technology solutions for legal and business professionals. Its niche product offering helps it enjoy high retention through long-term contracts and high margins. The company is rapidly growing through acquisitions — 19 and still counting. The company has plenty of room to grow organically and through acquisitions, as it expands operations beyond Canada in the United Kingdom, Ireland, and Australia.

In the fiscal third quarter ended March 31, its revenue surged 96% to \$33.7 million. It has an adjusted EBITDA margin of 56% that reflects its high margins. Such margins make it a lucrative target for the big guns.

Dye & Durham received an offer of \$50.5 per share — a 23% premium from its last traded price before the offer. The company has given a diplomatic [response](#) that it is exploring and evaluating potential strategic alternatives. But I feel the offer is not lucrative by looking at the company's revenue, adjusted EBITDA, and its February high of \$53.68. The stock will continue to surge, as many more businesses return to work post-pandemic.

## Lightspeed POS

**Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)) launched its IPO in March 2019. The stock has surged 460% since then. The pandemic worked as a catalyst for this omnichannel platform that helps retailers and restaurants run their stores on the cloud. In last year's lockdown, retailers flocked to the Lightspeed platform, as they had to close their physical stores and go online. But they didn't want to let go of the stores. The company accelerated its innovation and introduced services like curbside pickup, online booking, ordering, payments, and supplier network.

Lightspeed doubled its revenue through acquisitions and is still growing across different geographies. It will now see the recovery in the restaurant segment, as the markets reopen. The stock saw some correction in May, but it has surged 49% since the correction and is headed to ride the holiday season and recovery rally.

### CATEGORY

1. Investing
2. Tech Stocks

### TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. TSX:DND (Dye & Durham Limited)
3. TSX:LSPD (Lightspeed Commerce)
4. TSX:NVEI (Nuvei Corporation)

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