



Got \$1,000? Buy These 3 Top Canadian Stocks Right Now

Description

Supported by the substantial July employment numbers in the United States, the **S&P/TSX Composite Index** hit a new high on Friday. The index currently trades around 17.4% higher for this year. Amid investors' optimism, here are three top Canadian stocks that you can buy right now to earn superior returns over the next two years.

Lightspeed POS

First on my list would be **Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)), which has outperformed analysts' revenue expectations four times in the last five quarters. On Thursday, it [posted](#) a solid first-quarter performance, with top-line growth of 220% thanks to its organic growth and acquisitions. Its customer locations had expanded to over 150,000 by the quarter-end, while its average revenue per customer increased by 78%. Besides, its gross transaction value grew 203% to \$16.3 billion, supported by hospitality and omni-channel growth.

Meanwhile, I expect the momentum to continue amid a favourable industry trend, as many businesses are shifting to the omni-channel selling model. The company acquired NuORDER in the second quarter while working on completing the acquisition of Ecwid. It also expanded the availability of Lightspeed payments to customers across Germany, Switzerland, France, Belgium, and the Netherlands.

Additionally, Lightspeed management also raised its guidance for fiscal 2022. Now, the management expects its top-line growth to land in the range of US\$510-US\$530 million compared to US\$221.7 million in fiscal 2021. So, given its healthy growth prospects, [I continue to be bullish on Lightspeed POS](#)

goeasy

goeasy ([TSX:GSY](#)) also reported a solid second-quarter performance on August 5. Supported by a \$379 million total loan origination during the quarter and a contribution of \$445 million gross consumer

loan portfolio from its recently acquired LendCare, its loan portfolio expanded to \$1.80 billion. During the quarter, the company's credit and payment performance improved while also lowering its credit risk due to diversification from the acquisition. The company also reduced its allowance for future credit losses amid the improving economic environment and declining risk profile.

Meanwhile, the company's net income contracted 40% to \$19.5 million. However, removing special or one-time items, its adjusted EPS grew 38% year over year to \$2.61 per share. Amid the easing of restrictions, the economic activities could improve in the coming quarters, driving the demand for goeasy's services.

Meanwhile, the company has provided optimistic guidance for the next three years, with its loan portfolio expected to reach \$3 billion by the end of 2023. So, given its healthy growth prospects and high dividend growth, I believe goeasy would be an excellent buy right now.

Canopy Growth

Canopy Growth ([TSX:WEED](#))(NYSE:CGC) would be my third pick. The company reported a mixed first-quarter performance on Friday. Its revenue came in at \$136 million against analysts' consensus estimates of \$149.2 million. The company's management has blamed the missed opportunities due to slower refilling and the lack of high THC content products or strain-specific supplies for lower sales.

Meanwhile, the company has expanded its product offerings, launching various products across vapes, edibles, and beverage categories to meet customers' needs. Further, the company has over 100 SKUs in the pipeline, which it will launch this year.

Besides, the acquisition of Ace Valley and Supreme Cannabis has increased its premium product offerings and boosted its production capabilities. Meanwhile, Canopy Growth has also continued to strengthen its presence in the U.S. through a broad portfolio of innovative CBD and CPG brands.

The company's management also expects its cost savings initiatives and operational efficiencies could help in delivering over \$150-\$200 million in saving over the next two years. Amid these initiatives, the company's management is optimistic about reporting positive adjusted EBITDA by the end of this fiscal year.

CATEGORY

1. Bank Stocks
2. Cannabis Stocks
3. Investing
4. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:CGC (Canopy Growth)
2. NYSE:LSPD (Lightspeed Commerce)
3. TSX:GSY (goeasy Ltd.)
4. TSX:LSPD (Lightspeed Commerce)
5. TSX:WEED (Canopy Growth)

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