



Millennials: Could This White-Hot TSX Stock Be Canada's Next Growth Superstar?

Description

Young Canadian investors, such as those in the millennial cohort need to take risks where it makes sense. If a risky, volatile TSX stock has an above-average potential reward, then you should look to get some skin in the game. Nobody wants to miss out on the second coming of **Shopify**. And while it will take a strong stomach and a high pain tolerance to punch one's ticket into such a high-upside name early on, many millennials have the ability to take on the risks with such hyper-growth plays.

Millennials: Hyper-growth stocks make sense to buy for the long term

All they need is the willingness to jump into the deep end. Whether it's from dipping a toe into defensives and steadily submerging one's foot into the growthy waters, young investors mustn't surrender one of their greatest edges in the investment world. Time is on millennials' side. A few soured bets don't mean the end of the world, as it would for a near-retiree who can't afford to see one's portfolio shed 50% of its value in a matter of weeks. Older investors probably can't stick around for the recovery, which could take anywhere from a few months to many years. Young investors like millennials can stick around for the rebound.

Still, unlike the 2020 stock market crash, which recovered in record time, there's really no telling how long it'll take to bounce back from future selloffs. In any case, millennials should take risks when the risk/reward is favourable.

But one should not gamble one's wealth on speculative plays that one cannot conduct a thorough valuation of. Sure, Bitcoin may very well be the millennial gold that young people flock to when the equity markets get rough. But the asset has no intrinsic value. As such, such assets, especially those with momentum riding behind them, are only worth as much as someone else will pay you for it. In my books, that's speculation, not an investment.

The willingness to speculate is a personal decision. The same goes for gambling. But for millennial

investors who want to create wealth over the course of decades, I think the odds are better with hyper-growth stocks like Shopify and **Nuvei** ([TSX:NVEI](#)). Both tech stocks could plunge viciously, but for those willing to ride the rollercoaster, I think both names are worth stashing in your portfolio for the long haul.

Let's have a closer look at TSX newcomer Nuvei after its [incredible earnings result](#) posted this week.

Nuvei: Canada's next growth superstar?

Nuvei now finds itself up around 23% over this past week on the back of a [stellar](#) second-quarter result. After having nearly tripled over the past year, Nuvei is white hot, just as Shopify was just a few years back. Undoubtedly, the value-conscious millennials have their fair share of concerns. The payments play is unprofitable, and there's been a considerable amount of sales multiple expansion in recent months.

That said, I think there are ample catalysts under the hood of the mid-cap tech firm that went public just over a year ago. CEO Philip Fayer is an incredible founder, and I'm a believer in his abilities. While the little-known company may be off the radars of our friends south of the border, I think any continued strength will make the name enticing to growth-savvy U.S. investors in due time. I think Fayer can take the company to the next level. I think that he and his team are worth paying a premium multiple for. As such, I wouldn't hesitate to nibble on this stock, even after the latest post-earnings pop.

It was a heck of a quarter, and I suspect the analyst upgrades will keep flowing in.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:NVEI (Nuvei Corporation)

PARTNER-FEEDS

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3. Msn
4. Newscred
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