



## Why Lightspeed Stock Remains a Top Bet for Long-Term Investors

### Description

**Lightspeed Commerce** ([TSX:LSPD](#))([NYSE:LSPD](#)) is one of the fastest-growing stocks on the **TSX** right now. It is a company that leverages technology to provide software as a service to retailers, restaurants, and other mid-and-small size businesses.

LSPD has drawn multiple comparisons with **Shopify** and talk in the market says there is enough room for both companies in Canada to keep growing over the upcoming decade and more. Lightspeed stock has gained over 404% since it made its debut in April 2019. While it fell to below \$12 per share during the start of the pandemic, it has come roaring back and now trades at over \$125 at writing.

### Solid quarterly results

Lightspeed had a slow start to 2021. The stock was rangebound, trading at between \$84-\$88 from January to the end of May 2021. It was flat like most tech stocks were. However, the company released its numbers for its fourth quarter of fiscal 2021, easily crushing Bay Street estimates and driving its stock higher in the process.

Lightspeed [also released its results](#) for Q1 of fiscal 2022 and has seen a 220% top-line growth year over year. That has pushed the stock even higher to record levels today.

The quarter that ended in June has seen the global economy reopening, which means LSPD customers are poised to generate additional revenue as consumer spending increases. Lightspeed has seen its gross transaction volume (GTV) more than triple in Q1 and grew 203% year over year to \$16.3 billion.

The company has over 150,000 merchants around the world that use its portfolio of products and solutions. That's 10,000 more than the number of customers at the end of fiscal 2021 which ended in March.

It helps that the company's payments business is also robust. In an interview, Lightspeed CEO Dax DaSilva said that Payments Now represents 50% of the company's revenues.

## Lightspeed focuses on expansion

The company bagged some big names in the Q1 quarter. SpaceX has chosen Lightspeed Restaurant, Lightspeed Ordering, and Lightspeed Payments to support its hospitality operations at its California headquarters. Telluride Ski Resort, one of the world's best ski resorts based out of Colorado, has chosen Lightspeed as its core commerce platform. Three-star Michelin-rated Paris-based Japanese restaurant, Kei, is also a Lightspeed client now.

Lightspeed launched payments in Europe beginning with the U.K. and will expand in five more countries, including Germany, Switzerland, France, Belgium, and the Netherlands. The Europe region accounts for a small portion of total payment customers for Lightspeed, but this number is forecast to rapidly grow as the product launches in the above-mentioned markets.

The company's new ventures also seem to be doing well. Lightspeed Capital had its best quarter in Q1 and the company made 430 capital advances in the quarter. Sales [from this vertical](#) rose by 68% compared to the previous quarter.

The company leverages its payments partner Stripe on Lightspeed Capital and is using ShopKeep Capital to upserve existing customers. Management said, "For now, this remains a small, but highly profitable business for us, with revenues still under \$1 million quarterly."

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