



The 2 Best High-Growth TSX Stocks to Crush the Market

Description

The Canadian market is set to end August on a strong positive note. A consistent strength in some technology, financials, and mining sector stocks is helping the market climb new heights this year. After this seven-month-long sharp rally, you may find most stocks overvalued. Nonetheless, Motley Fool investors still have the opportunity to gain big in the long term by investing their hard-earned money in some high-growth **TSX** stocks. Such high-growth companies could continue to post stellar financial growth in the coming years, thereby driving their stocks higher.

Let's take a closer look at two such [Canadian growth stocks](#) to buy right now.

Lightspeed stock

Lightspeed Commerce ([TSX:LSPD](#))([NYSE:LSPD](#)) could be one of the best high-growth Canadian stocks to buy right now. The Montreal-based company has posted outstanding sales growth in recent quarters. To give you an idea, it reported a 220% year-over-year increase in its June quarter revenue to US\$116 million. Its latest quarterly revenue was also 25% better than analysts' expectation of US\$93 million. The consistently rising popularity of Lightspeed's omnichannel commerce solutions among small- and medium-sized businesses — especially in the U.S. and Europe — is likely to help it grow quickly in the long term.

Lightspeed also has managed to report much lower-than-expected adjusted EBITDA losses for the last six consecutive quarters. While the company is yet to become sustainably profitable, its path to profitability might not be very difficult at its current pace of growth in sales.

Its better-than-expected recent financial growth and improving demand for its commerce platform amid reopening economies could further accelerate its financial growth in the coming quarters. That's one of the reasons why Lightspeed's management [raised](#) its fiscal year 2022 outlook during its latest quarterly earnings event on August 5.

LSPD stock is currently trading at \$136.13 per share with about 51.5% year-to-date gains. But this high-growth **TSX** stock still has the potential to continue soaring in the long run.

Magnet Forensics

Magnet Forensics ([TSX:MAGT](#)) might not be a very well-known tech company compared to Lightspeed. However, this small Waterloo-based tech firm has the potential to post exponential financial growth in the coming years. The company's robust digital investigation software platform is capable of analyzing data from multiple sources, including PCs, mobile devices, IoT devices, and the cloud for any security risks and vulnerabilities.

Since Magnet Forensics was founded nearly a decade ago, its investigative software platform has become widely popular among businesses. That's why the company's consistently growing customer base currently has more than 4,000 public and private organizations in it. In the latest quarter, recurring revenue accounted for nearly 81% of its total revenue — showcasing Magnet Forensics' ability to retain customers for the long term. This high contribution of recurring revenue also makes its total revenues largely predictable.

Moreover, consistently rising demand for cybersecurity solutions could help Magna Forensics' already profitable business grow fast in the coming years. That's why you may want to add this amazing high-growth Canadian stock to your portfolio right now.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. TSX:LSPD (Lightspeed Commerce)
3. TSX:MAGT (Magnet Forensics)

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