



Up Over 14% in August: Can These 4 Canadian Stocks Continue the Uptrend?

Description

August was a good month for the Canadian equity markets, with the **S&P/TSX Composite Index** rising close to 1.5%. Meanwhile, the following four high-growth wth outperformed the broader equity markets and have delivered over 14% returns during the month. So, let's examine whether any buying opportunities still exist in these four Canadian stocks.

Nuvei

Nuvei ([TSX:NVEI](#)) was one of the top performers last month, with its stock price increasing by 59.6%. Its solid second-quarter performance and acquisition of Mazooma Technical Services appear to have increased its stock price. Its revenue increased by 114% in the second quarter, while its adjusted EBITDA rose 112%. The sharp surge in Nuvei's stock price has also raised its forward price-to-sales multiple to 21.2.

Despite its expensive valuation, I am bullish on Nuvei amid the growing popularity of digital payments due to the increased adoption of online shopping. Besides, the acquisition could also allow the company to expand its presence in the U.S. online gaming and sports betting market. Further, the company also acquired Simplex, a fiat-cryptocurrency gateway company, earlier this month. So, I expect the uptrend in Nuvei's stock price to continue.

Lightspeed Commerce

Last month another stock that witnessed strong buying was **Lightspeed Commerce** ([TSX:LSPD](#))([NYSE:LSPD](#)), which rose 31.1%. The impressive first-quarter performance and [expansion of its Lightspeed Payments service](#) to five European countries have increased its stock price. Supported by the acquisitions of ShopKeep, Upserve, and Vend and its organic growth, its first-quarter revenue grew by 220%. Its adjusted EBITDA losses also declined by 5.2% as a percentage of revenue.

Meanwhile, the shift to the omnichannel selling model and rising adoption of online shopping has created a long-term growth potential for Lightspeed. Also, it recently acquired NuORDER, a digital

platform that connects businesses and suppliers. The acquisition has made Lightspeed a global distribution network for leading brands. So, given its healthy growth prospects, [I am bullish on Lightspeed Commerce](#).

Docebo

Third on my list would be **Docebo** ([TSX:DCBO](#))([NASDAQ:DCBO](#)), which rose 27.7% last month. It added three new OEMs to its customer base last month. The new customer acquisitions and strong second-quarter performance appear to have driven the company's stock price higher. The company's revenue grew by 76% to \$25.6 million during the quarter, supported by an increased customer base and a higher average contract value.

Meanwhile, I expect the uptrend to continue amid the rising adoption of digital tools by corporations to upskill their employees. The company's management expects the learning management system market to grow at a compound annual growth rate (CAGR) of 21% through 2025. Docebo also focuses on developing innovative products to increase its share in the growing addressable market. So, the rally in Docebo's stock price could continue.

goeasy

My final pick would be **goeasy** ([TSX:GSY](#)), which provides leasing and lending services to sub-prime customers. Its stock price increased by 14.4% last month amid solid second-quarter performance and rising demand for its services amid improved economic activities due to the easing of restrictions. Despite posting a substantial performance over the last two decades, the company has just acquired 3% of its addressable market. So, goeasy has a significant potential to expand.

Further, LendCare's acquisition has added new business verticals and also improved its risk profile. Also, goeasy is expanding its geographical footprint, increasing its product offerings, and growing its distribution channels, which could increase its financials in the coming quarter. The company rewards its shareholders by raising its dividends consistently. So, goeasy would be an excellent buy despite the recent surge.

CATEGORY

1. Bank Stocks
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. NYSE:LSPD (Lightspeed Commerce)
3. TSX:DCBO (Docebo Inc.)
4. TSX:GSY (goeasy Ltd.)
5. TSX:LSPD (Lightspeed Commerce)
6. TSX:NVEI (Nuvei Corporation)

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