



Wherever the Market Goes, I'm Buying These 3 TSX Stocks

Description

Stretched valuations and the resurgent virus make it hard to predict the stock market's trajectory. While the market's trajectory remains uncertain, I am bullish on **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)), **goeasy** ([TSX:GSY](#)), and **Lightspeed Commerce** ([TSX:LSPD](#))([NYSE:LSPD](#)).

I expect their continued investment in growth and strong secular industry trends to fuel growth and push their stocks higher.

Shopify

One might not be comfortable with Shopify's high valuation, but it undeniably remains the top Canadian stock to create wealth in the long run. Over the last three months, the stock has traded sideways on expected normalization in demand amid economic reopening and tough year-over-year comparisons. However, increased spending on e-commerce platforms and a large addressable market indicate that Shopify could deliver impressive returns in the coming years while its market share could continue to expand.

Shopify's strong merchant acquisition strategy, including the addition of high-growth sales channels and product expansion, positions it well to capitalize on demand. Meanwhile, increased adoption of its multi-currency payments platform, strong fulfillment network, and international expansion will likely accelerate its growth.

With strong adoption of its products, consistent GMV (gross merchandise volume) growth, strategic capital allocation, and operating leverage, Shopify could continue to make its investors very rich over time.

goeasy

goeasy has consistently created wealth for its investors on the back of its above-average growth. The strong customer demand, geographic expansion, and wide product range have led to double-digit growth in its revenue and earnings over the past several years. It's worth noting that goeasy's revenue has increased at a CAGR of 12.8% since 2001. Furthermore, its adjusted income has grown at a

CAGR of 31% during the same period.

Looking ahead, I expect goeasy's earnings to continue to grow rapidly on the back of higher loan origination and strong payment volumes. Moreover, increased penetration of secured loans, strategic acquisitions, the launch of new products, and channel expansion augurs well for future growth and will likely [drive its stock](#) higher.

Thanks to its solid earnings, goeasy has consistently paid dividends over the past 17 years. Also, the company raised it at a CAGR of 34% in the last seven years. With its strong competitive positioning in the subprime lending market and continued momentum in its business, goeasy remains well positioned to bolster its shareholders' returns through increased dividend payments.

Lightspeed

Thanks to its stellar financial performance amid increased demand for its digital products, Lightspeed stock has surged about 98% in six months. Moreover, I expect the [momentum to sustain](#), reflecting favourable industry trends, a large addressable market, and a growing and diverse customer base.

Notably, the strength in its core business and recent acquisitions position it well to deliver stellar financial and operating performances in the coming quarters, which is likely to push its stock higher. Further, Lightspeed's focus on expanding in the existing markets, attracting new customers, and targeting new geographies and verticals bodes well for future growth.

Lightspeed is introducing new modules, which is likely to support its average revenue per user. Meanwhile, the company is increasing its market penetration, driving its products base, and entering new verticals through acquisitions. Overall, Lightspeed's solid fundamentals and strong demand indicate that the company is poised to deliver stellar returns in the long run.

CATEGORY

1. Bank Stocks
2. Coronavirus
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5. Tech Stocks

TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:GSY (goeasy Ltd.)
4. TSX:LSPD (Lightspeed Commerce)
5. TSX:SHOP (Shopify Inc.)

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