



2 Tech Stocks to Buy During the Correction

Description

The tech sector was the first to recover after the 2020 pandemic. The **S&P/TSX Capped IT Index** reached its pre-pandemic valuation in less than three years. The recovery momentum carried the sector up quite sharply and peaked in August before sliding down almost 12%. It went through another such cycle, about 32% growth and a 12% dip.

If the sector is to repeat the same pattern, the timeline would be now because the sector has already risen 34% from its last dip. And if a correction is coming, there are two stocks that should be on your radar.

An e-commerce stock

Lightspeed ([TSX:LSPD](#))([NYSE:LSPD](#)) is an [incredible growth stock](#). It's often considered a "junior" **Shopify**, and it's easy to see why. The stock started trading on the **TSX** in early 2019, and in less than three years, the stock has already risen about 730%. If you had invested in the company when it started trading, you would have grown your investment seven times over.

Lightspeed caters to three specific industries: retail (which itself is a diverse pool), restaurants, and golf. And it's incredible to see Lightspeed's growth through 2020, despite the fact that all three of the market segments suffered during the pandemic.

The primary strengths of Lightspeed include simplicity and integration. It makes the life of SMB owners and workers relatively easy by streamlining the buying, accounting, marketing, and several different processes. It also integrates with a wide variety of tools and software. Many of Lightspeed's customers are repeats, which points to a loyal customer base.

A private banking company

If you are looking for a tech stock that is [already moving](#) downward but still packs excellent growth potential, **Nuvei** ([TSX:NVEI](#)) is the way to go. The Montreal-based company has already grown its

market value by about 238% in about a year since its inception, and it's already aggressively overpriced. The stock has started to dip, but it has only gone down about 10% yet.

It might be a good idea to keep an eye on Nuvei and wait for the stock to dip more. It's improbable to fall enough to become attractively valued, but a sizeable discount on a stock like Nuvei is not something you should miss. The company is already aggressively expanding. It has completed about three acquisitions in the last two months alone. The stock is also in a solid position to take advantage if crypto is established as a viable medium of exchange.

Foolish takeaway

Most growth-oriented [tech stocks](#) tend to be over expensive, but that's not a reason to not buy them, even if you are a value investor. Waiting for stocks like Lightspeed and Nuvei to become more attractively valued (or undervalued) will have you lose a lot of precious growth. So take advantage of price discounts and consider buying these stocks whenever they dip beyond a certain threshold.

CATEGORY

- 1. Investing
- 2. Tech Stocks

TICKERS GLOBAL

- 1. NYSE:LSPD (Lightspeed Commerce)
- 2. TSX:LSPD (Lightspeed Commerce)
- 3. TSX:NVEI (Nuvei Corporation)

PARTNER-FEEDS

- 1. Business Insider
- 2. Koyfin
- 3. Msn
- 4. Newscred
- 5. Quote Media
- 6. Sharewise
- 7. Smart News
- 8. Yahoo CA

PP NOTIFY USER

- 1. adamothman
- 2. arosenberg

Category

- 1. Investing
- 2. Tech Stocks

Date

2025/08/25

Date Created

2021/09/30

Author

adamothonman

default watermark

default watermark