



2 of the Best Canadian Tech Stocks to Buy Today

Description

The tech sector led the Canadian market to a somewhat surprising performance last year. Even amid a global pandemic, the **S&P/TSX Composite Index** managed to end 2020 in the black. Much of that can be attributed to the strong performance of tech stocks.

The market has been riding an incredible bull run since April 2020. There's been a few minor pullbacks, but for the most part, it's been a steady trend upwards for [Canadian investors](#) over the past year and a half.

The Canadian market was hit with its largest pullback in a while in September. Tech stocks, in particular, were among the hardest hit.

Considering how high valuations have risen in recent months, it's not a complete surprise to see many leaders in the [tech sector](#) down 10% and more from all-time highs today.

I understand why short-term investors may be hesitant to pick up shares of a high-valued tech company today. There's no shortage of uncertainty in the coming months. Long-term investors, though, have the luxury of taking advantage of these discounted prices and patiently waiting for the stocks to return to all-time highs.

I've got both of these [discounted tech stocks](#) on my watch list this month.

Tech stock #1: Lightspeed Commerce

Serious allegations made by an investment research firm last month caused shares of **Lightspeed Commerce** ([TSX:LSPD](#))([NYSE:LSPD](#)) to instantly sell off.

The report suggested that Lightspeed management had been reporting inaccurate numbers to investors. Lightspeed management quickly commented that there was no validity to the allegations.

I'm a big believer in Lightspeed's CEO, Dax DaSilva, along with the rest of the management team. I'll

take their word over a company with a history of releasing short reports like this.

Up close to 500% since it went public in 2019, Lightspeed is worth every penny of its steep valuation. And now that it's down 30% from all-time highs, I'll be looking to add to my position this month.

Tech stock #2: Nuvei

There's absolutely nothing wrong with owning shares of competitors in your portfolio. Investing is rarely a zero-sum game, so if you're bullish on a specific area of the market, I'd strongly suggest loading up on a couple of companies competing against each other.

Similar to Lightspeed, **Nuvei** ([TSX:NVEI](#)) offers its customers a range of different payment-processing solutions. The company is also reinvesting aggressively into the business to continue expanding its product offering.

This tech stock only went public 12 months ago, but investors that got in early are already sitting on a two-bagger. Shares gradually declined throughout September, but the stock is off to a good start in October and close to returning to all-time highs.

At a price-to-sales ratio of 40, it's definitely not a cheap investment. But there are also a lot of reasons why I'm betting Nuvei will be a consistent market beater for many more years.

Due to Lightspeed's recent selloff, Nuvei's \$23 billion market cap ranks it as the larger company between the two. The growth potential of the two tech stocks is largely up for debate, though, which is why I'm looking to start a position in Nuvei this month.

If you can stomach the expected volatility, both Lightspeed and Nuvei are two solid picks for any long-term growth investor.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

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

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Date

2025/07/08

Date Created

2021/10/12

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