



3 Pricey Tech Stocks to Buy if the Market Slide Continues

Description

Key points

- **Nuvei** ([TSX:NVEI](#)) stock's recent initial public offering (IPO) could provide investors with a significant boost, as it aims to make the world its marketplace.
- **Docebo** ([TSX:DCBO](#))([NASDAQ:DCBO](#)) stock continues to have a strong opportunity for growth as employers move to remote and hybrid work options.
- **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) stock recently achieved over \$1 billion in revenue and continues to see merchants choose it over other e-commerce giants.

The **S&P/TSX Composite Index** seems to have lost some momentum gained in mid-September. After climbing to all-time highs, a market correction is hampering tech stocks. This comes from further COVID-19 cases, the fear of inflation, and even a real estate crisis in China pushing points down further. And that includes some of the biggest tech stocks around.

The TSX today is now down about 400 points since mid-September, but it's making some gains in the last few days. And unfortunately, a further market correction could be underway. If that happens, there's an opportunity for Motley Fool investors to get on some of the biggest and best tech stocks out there.

1. Nuvei

Nuvei is a payment technology solution offered around the world, offering the "entire lifecycle" of a transaction. The company continues to expand its use, recently announcing the expansion of digital payouts in the United States through **Visa Direct**. The company currently connects merchants with customers over 200 markets worldwide in nearly 150 currencies and 40 cryptocurrencies

This comes after a major IPO on the **Nasdaq** last week, with Nuvei stock reaching US\$454.8 million in its U.S. IPO. And while [shares](#) are up 104% in 2021, analysts have been raising the potential upside for Nuvei stock based on its IPO and recent announcements.

That includes strong earnings reports, with Nuvei stock reporting growth of 119% year over year in revenue, and adjusted EBITDA up 112% for the same period. The company also restated its growth outlook to reach 30% compound annual growth rate (CAGR) in revenue over the medium term and a 50% CAGR in adjusted EBITDA over the long term. Though, of course, Nuvei stock remains expensive. So, should the market decrease, this one of the solid tech stocks to buy and hold.

2. Docebo

Docebo was one of the tech stocks that came along at exactly the right time. Its learning management system allows the world to be your employment office, not just your home town. Docebo stock uses artificial intelligence to help employers train employees. It works so well, enterprise companies such as **Amazon** have signed on to the service.

The second quarter saw Docebo stock expand even further, as it added \$10 million in net annual recurring revenue (ARR). This resulted in the second consecutive quarter of ARR growth over 60%, and revenue growth over 70%. Revenue was up 76% year over year, with subscription revenue representing 92% of total revenue. Analysts expect revenue to continue climbing during the next quarter, with sales to grow around 60% for the next year.

Now, of course, shares are expensive, trading at a 12.3 P/B ratio and 26.3 EV/sales. But if the share price were to come down for Docebo stock, this is a solid long-term hold, as the world moves towards remote or hybrid work options among tech stocks.

2. Shopify

There's a reason Shopify has become a major [player](#) on the TSX today. The e-commerce company's tools allow clients to continue to be their own business. They don't have to sign up to a marketplace like Amazon or **Etsy**. And through its tools, it provides analytics, online shops, payment processing, and more to these customers.

The pandemic sent these companies in droves to Shopify stock, sending shares soaring. Revenue has come in at record numbers quarter after quarter. Most recently, the company achieved over a billion in total revenue, rising to \$1.119 billion in the second quarter — a 57% year-over-year increase.

Subscription solutions revenue increased 70%, with merchant recurring revenue up 67%. So, despite worries of a lag in growth, Shopify stock seems to continue climbing. What's more, analysts expect sales to rise another 55% this year, with EBITDA to rise 62% for 2021, strong compared to other tech stocks.

And while other e-commerce companies remain unprofitable, Shopify stock hit that milestone last year. Sure, it will continue to have challenges, as it faces companies like Amazon and other tech stocks. And it remains incredibly expensive with a P/E ratio of 71.16. But a major pullback could provide a stellar

chance for Motley Fool investors. So, it's one to watch [closely](#) for a golden opportunity.

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2. Tech Stocks

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TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:DCBO (Docebo Inc.)
4. TSX:NVEI (Nuvei Corporation)
5. TSX:SHOP (Shopify Inc.)

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