



2 TSX Tech Stocks to Buy in 2022

Description

Canadian tech stocks did not have a fantastic year in 2021. After posting considerable gains across the board, [investing in technology](#) might have lost its charm for many Canadian investors. The tech sector boasts several high-quality growth stocks. However, many notable names were significant disappointments last year.

Lightspeed Commerce ([TSX:LSPD](#))([NYSE:LSPD](#)) and **Nuvei** ([TSX:NVEI](#))([NASDAQ:NVEI](#)) are two major names in the industry that suffered through a lot. The companies were targeted by short-seller reports that raised enough concerns among investors that the tech companies saw significant declines in their valuations.

Spruce Point Capital Management's short-seller report only exacerbated other issues for the companies. Lightspeed stock and Nuvei stock were trading at high multiples, and the short-seller reports only prompted the selloff that was already due.

However, the short-seller reports and other issues might only be temporary problems. Today, I will discuss the two beaten-down TSX stocks to help you determine whether they could be ideal additions to your investment portfolio this year.

Lightspeed

At writing, Lightspeed stock is trading for \$53.64 per share. It is down by over 66% from its all-time high in September 2021 and by just over 40% in the last 12 months. The company's share prices have dipped by over two-thirds from its high, and such a massive downside correction only indicates that it is in oversold territory.

The company's bottom line has been doing well, and the demand for its services will only increase in the coming months and years. The short-seller report may have made significant allegations against the company, but many analysts have completely dismissed the report. Several analysts have set a 12-month price target of \$123 for Lightspeed stock.

Investing in its shares at its [discounted valuation](#) today could provide you with stellar near-term gains.

Nuvei

At writing, Nuvei stock is trading for \$85.09 per share. It is down by over 51% from its all-time high in September 2021 but up by almost 10% year over year. Short reports are usually skewed and presented so that they look as bad as possible. None of the allegations made by the short-seller report have been proven, but the report did enough to hurt investor sentiment.

The company has done everything you can expect from a publicly traded entity. It has put up a stellar performance in the industry for a long time, and it is doing far better than many of its peers in the payment-processing industry. Analysts who have been tracking the company's performance have set a 12-month price target of \$154 for Nuvei stock.

Investing in its shares right now could set you up for [significant wealth growth](#) through capital gains.

Foolish takeaway

Despite all the challenges later in 2021, the broader Canadian equity market ended the year with solid double-digit gains. Lightspeed stock and Nuvei stock ended the year with drastic declines from their all-time highs without any significant negative change in the companies' fundamental outlooks or financial trends.

No matter what the allegations might be for the two companies in Spruce Point Management's short-seller report, the companies look well positioned to stage a rapid recovery this year. Remaining bullish on the two tech stocks might be a better way to begin another year of investing in the stock market.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

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

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