



3 Explosive Growth Stocks I'd Buy in 2022

Description

In 2021, stock investors enjoyed high returns on their investments, as the main Canadian market index inched up by nearly 22%, posting its best yearly gains in over a decade. While most [high-growth stocks](#) started trading on a strong bullish note last year, a recent correction has made them look really cheap. That's why you may want to add these explosive growth stocks to your portfolio right now, as they could yield outstandingly high returns in 2022. In this article, I'll highlight three such growth stocks that I find worth buying on the **TSX** today.

Magnet Forensics stock

In the last few years, concerns about data theft and cybercrime have risen significantly across the globe. As a result, the demand for reliable cybersecurity solutions for businesses has surged. That's why I find the shares of **Magnet Forensics** ([TSX:MAGT](#)) — my first high-growth stock in this list — really attractive. It's a Waterloo-based tech firm that mainly focuses on the development of digital investigation software. The company currently serves over 4,000 public and private sector companies worldwide in over 90 countries.

Magnet Forensics's innovative cybersecurity software allows its customers to analyze data from various digital sources for any vulnerability. Upon finding any threats, its software also acquires and manages evidence. In the September quarter, the company [reported](#) a 44% YoY (year-over-year) jump in its revenue to \$17.8 million with a solid gross margin of 93%.

I expect the surging demand for cybersecurity solutions to significantly boost Magnet Forensics's financial growth in the coming years, which could keep this high-growth stock soaring.

Lightspeed stock

If you have been following the Canadian tech industry lately, you probably already know about **Lightspeed Commerce** ([TSX:LSPD](#))([NYSE:LSPD](#)). As the COVID-19-related restrictions started badly affecting physical stores, the demand for its omnichannel commerce solutions skyrocketed.

That's one of the reasons why Lightspeed's total sales jumped by 84% YoY to US\$222 million in its fiscal year 2021 (ended in March 2021). While some analysts were predicting a slowdown in its sales in the post-pandemic phase, the company's sales growth accelerated further in the fiscal year 2022.

Despite its solid business growth, LSPD stock tanked by 43% in 2021 after a short-seller made several allegations against the company in its latest report on September 29. Lightspeed has denied these allegations on multiple locations but failed to regain investors' confidence. I expect its continued business growth in the coming quarters to help investors look past the recent short report and drive this high-growth stock a sharp recovery in 2022.

Nuvei stock

The New York-based short-seller which hit out at Lightspeed in September also targeted **Nuvei** ([TSX:NVEI](#))([NASDAQ:NVEI](#)) in its latest report about a month ago. That's one of the reasons why this Canadian growth stock saw 44% value erosion in Q4 after rising by 43% in the previous quarter.

Nuvei mainly provides innovative payment technology solutions to businesses across the world. The ongoing e-commerce revolution has helped Nuvei post strong financial growth in the last few years. While the recent short report made some vague allegations on the company and its management without any clear evidence, its overall long-term financial growth outlook remains solid. Long-term growth investors may want to take advantage of the recent drop in this growth stock to buy it cheap for the long term.

CATEGORY

1. Investing
2. Stocks for Beginners

POST TAG

1. Editor's Choice

TICKERS GLOBAL

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

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Author

jparashar

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