



2 Top Stocks to Buy in 2022

Description

It's hard to say which stocks will be the top performers in 2022. But some stocks have better chances to beat the market than others and are thus good stocks to buy this year. Among Canadian stocks, **Nuvei** ([TSX:NVEI](#))([NASDAQ:NVEI](#)) and **TFI International** ([TSX:TFII](#))([NYSE:TFII](#)) look like two top stocks to buy in 2022.

Nuvei

Nuvei went public in August 2020. Prior to being publicly traded, Nuvei was the country's largest privately held financial technology company. The company provides payment-processing technology to merchants.



Its product line serves both online and in-store transactions and counts Stripe, **Paypal**, **Fiserv**, **Lightspeed**, Global Payments, Shift4 Payments, and **WorldPay** among its competitors.

On December 8, short-seller [Spruce Point Capital released a report](#), which sent Nuvei shares down 40% in only one day. The bulk of the report focuses on the track record of executives, the history of Pivotal Payments (previous name of Nuvei), entities related to acquisitions, organic growth and financial information published by Nuvei. The tech company said that the report was “intentionally misleading.”

There is no doubt that an opportunity is created, and investors should take advantage of the weakness in Nuvei stock to buy more shares. The stock has a forward P/E ratio of 28.65, which is low for at tech stock.

Nuvei increased its revenue by 64% in fiscal year 2019 and by more than 50% in 2020.

Nuvei is expected to make a profit of \$2.67 per share next year. Revenue growth of 31.2% is expected in 2022.

TFI International

TFI International is a trucking and logistics company. The company operates in four segments: Package and Courier, Less-Than-Truckload, Truckload, and Logistics. Along with 31,000 employees, it has over 500 terminals across North America.

The company has operations in the United States and Canada, and following its recent acquisition of UPS's Less-Than-Truckload freight business, the bulk of its revenue, almost 75%, will come from the U.S.

With the strong financial position the company was in, it acquired struggling companies. It ended up purchasing Gusgo Transport, Fleetway Transport, CCC Transportation, APPS Transport, Keith Hall & Sons, assets of CT Transportation, the dry bulk assets of Grammer Logistics, and assets of MCT Transportation, DLS Worldwide, and UPS Freight business.

Although the company has struggled to increase its top line over the last five years (5.6% annual revenue growth), it's become much more efficient. As a result, TFI's bottom line has improved. Earnings over the last five years have increased at a rate of 21.5% annually.

The UPS Freight acquisition is transformational for the company. TFI International will now be more weighted towards business in the U.S., as opposed to the past, when most revenue came from in Canada.

Analysts estimate earnings per share will grow 79.1% in 2021 and 23.9% in 2022.

This growth in profits should allow TFI International to continue growing its [dividend](#). The company has a nine-year dividend-growth streak. It has raised dividends at a 10.3% rate annually over the last five years. TFI raised its dividend by 11.5% in the fourth quarter. The dividend yield is 1%.



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3. TSX:NVEI (Nuvei Corporation)
4. TSX:TFII (TFI International)

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