



3 High-Growth Tech Stocks Available at Substantial Discounts

Description

Amid a higher inflation rate, investors are expecting the Federal Reserve of the United States to tighten its monetary policies earlier than projected. With the increase in interest rate, the cost of borrowing could increase, impacting the profitability of [high-growth stocks](#), which require higher capital to fund their growth initiatives. So, growth stocks have been under pressure over the last few weeks. Meanwhile, I believe investors should utilize the correction to accumulate the following three tech stocks to earn superior returns over the next three years.

Lightspeed Commerce

Lightspeed Commerce ([TSX:LSPD](#))([NYSE:LSPD](#)) has been under pressure over the last five months. It has lost over 75% of its stock value compared to its September highs. A [short report from Spruce Point](#), weaker management guidance due to the supply chain disruptions, and the expectation of rising interest rates appear to have dragged the company's stock price down.

However, more businesses are adopting the omnichannel selling model to boost their sales amid e-commerce growth. This transition has created a multi-year growth potential for Lightspeed Commerce. Meanwhile, the company is also launching new innovative products to meet the rising needs of the customers, which could help increase its market share and average revenue per customer. The company could also benefit from higher recurring revenue. Despite the near-term volatility, the company's long-term outlook looks healthy.

Its valuations have fallen substantially, with its price-to-book multiple standing at 1.5. So, I believe investors with over three years of investment horizon can accumulate the stock for higher returns.

Nuvei

Nuvei ([TSX:NVEI](#))([NASDAQ:NVEI](#)) is another stock that has witnessed a significant correction over the last few months. It is trading at a 56% discount from its September highs. Meanwhile, the pullback has provided an excellent entry point for long-term investors. With the e-commerce growth, digital

transactions are becoming more popular, benefiting Nuvei. The company is expanding its geographical presence and venturing into new segments to drive growth.

With a growing number of states legalizing sports betting, Nuvei looks to strengthen its position in this segment. It recently [received approval](#) to service licensed digital sports betting platforms in New York, increasing its service to 11 U.S. states. Also, the company looks to expand its presence in the high-growth cryptocurrency market. So, given its healthy growth potential and discounted stock price, I am bullish on Nuvei.

Docebo

Since going public in October 2019, **Docebo** ([TSX:DCBO](#))([NASDAQ:DCBO](#)) has been one of the best performers on the S&P/TSX Composite Index, with its stock rising over 315%. However, amid the selloff in high-growth stocks, the enterprise learning solutions provider has lost over 43% of its stock value compared to its September highs. The steep correction provides a solid buying opportunity for long-term investors amid an increased transition towards remote learning.

Supported by an increasing customer base and growing average revenue per customer, Docebo's revenue has increased at a CAGR of over 44% in the last five years. Meanwhile, the company earns around 93% from recurring sources and has a net dollar retention rate of 108%, which is encouraging.

E-learning management solutions are convenient and economical. So, more enterprises are opting for them to train their employees, partners, and customers, which could benefit the company. Amid the increasing addressable market, Docebo is adding new tools to its platform and expanding its reach, which could drive its financials in the coming quarters. So, the company has substantial growth potential.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. NASDAQ:NVEI (Nuvei Corporation)
3. NYSE:LSPD (Lightspeed Commerce)
4. TSX:DCBO (Docebo Inc.)
5. TSX:LSPD (Lightspeed Commerce)
6. TSX:NVEI (Nuvei Corporation)

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