



3 Cheap, High-Growth Stocks for a Solid Retirement Portfolio

Description

If you are building a portfolio to create a large retirement corpus, consider buying **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)), **Lightspeed Commerce** ([TSX:LSPD](#))([NYSE:LSPD](#)), and **Nuvei** ([TSX:NVEI](#))([NASDAQ:NVEI](#)) stock.

I have two major reasons for being bullish on these stocks. These Canadian companies are growing rapidly, implying that their shares will likely outperform the broader markets by a significant margin in the long term. Further, shares of these companies are looking attractive at current levels, thanks to the recent correction in their prices. Let's look at a few growth catalysts that could accelerate the pace of recovery in their stock prices.

Shopify

Shopify stock is first on this list, and for obvious reasons. It has delivered multifold returns for its shareholders and has enough ammo that could drive its stock price higher in the long term. Economic reopening, high valuation, supply-chain concerns, and normalization in growth rate have led to a significant correction in its price. For context, Shopify stock is down about 41% in three months, while it fell by 35% this year.

This correction in Shopify's stock price represents an excellent [opportunity for buying](#), especially as Shopify continues to gain market share and launch new products. Overall, Shopify remains well positioned to capitalize on the shift towards digital commerce. Its investments in expanding its fulfillment network, the launch of high-value products, growing merchant services, and increased adoption of its payment solutions will likely accelerate its growth and drive its stock price higher.

Lightspeed

Investors have dumped Lightspeed stock over the past several months, leading to a massive drop in its price. A short-seller report and moderation in growth rate led to a 56% correction in LSPD stock over the past three months. Due to this selloff, Lightspeed's valuation has gone significantly below its

historical average. Notably, Lightspeed stock is trading at a forward EV/sales multiple of 5.3, which is significantly lower than its historical average of 21.4.

The [compression in its valuation](#) provides a solid buying opportunity for long-term investors. While difficult comparisons could lead to a moderation in its near-term growth rate, I am bullish over its long-term prospects and expect to benefit from the continued demand for its digital products, expansion into high-growth markets, and increased penetration of its payments solutions. Further, its new product launches, large addressable market, increased adoption of its multiple modules by existing customers, and strategic acquisitions will accelerate its growth.

Nuvei

Nuvei stock was hit hard by the short report from Spruce Point and corrected nearly 45% in three months. Given the decline, Nuvei's valuation multiple decreased significantly. It is trading at a forward EV/sales multiple of 10 — much below its historical average of 16.8, providing a good entry point for long-term investors.

In response to the short report, Nuvei's management reiterated the medium-term revenue and volume outlook and termed the short-seller report misleading.

While Nuvei stock could remain volatile in the short term, I expect it to benefit from secular industry trends, its ability to acquire customers fast, and its expansion into high-growth verticals like online gaming and e-commerce. Furthermore, its large addressable market, expansion of products, opportunistic acquisitions, and higher revenues from existing customers support my bullish view.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

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

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News

8. Yahoo CA

PP NOTIFY USER

1. kduncombe
2. snahata

Category

1. Investing
2. Tech Stocks

Date

2025/07/20

Date Created

2022/02/09

Author

snahata

default watermark

default watermark