



Got \$3,000? Buy 3 TSX Growth Stocks at a 60-80% Discount

Description

The selling in growth stocks continues, creating a favourable entry point for investors with a long-term mindset. While I expect these TSX growth stocks to remain volatile in the short term, I find their risk/reward scenario attractive due to their strong fundamentals and recent decline in share price.

So, if you have \$3,000, consider investing it in these high-growth stocks that have corrected by about 60-80% from their highs. However, their long-term growth story remains intact. Here's the list.

Lightspeed

The downtrend in **Lightspeed** ([TSX:LSPD](#))([NYSE:LSPD](#)) stock continues, wiping out a significant portion of its value. For context, Lightspeed stock is down about 80% from its 52-week high. Meanwhile, it fell more than 60% in three months. The slowdown in growth, difficult year-over-year comparisons in the first half of 2022, and a short-seller report led to this massive correction.

I see this decline in LSPD stock as an excellent buying opportunity, especially as its valuations are at a multi-year low while it continues to grow rapidly.

It's worth noting that Lightspeed stock is trading at a forward EV/sales multiple of 4.5, which is significantly lower than its historical average. Meanwhile, the increasing penetration of its payments solutions, growing customer base, and secular sector trends suggest strong upside potential.

Overall, Lightspeed stock's [low valuation](#) and multiple growth catalysts, including ongoing strength in payments solutions, product innovation, expansion into high-growth verticals and geographies, and higher average revenue per user, support my bullish view.

Shopify

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) stock is down over 62% from its high. Moreover, it has corrected about 52% this year. This significant decline in Shopify stock comes amid the moderation in its growth

rate and overall selling in tech stocks.

While management expects its 2022 sales growth rate to be lower than what it achieved in 2021, I am upbeat over its long-term prospects and expect it to deliver superior returns and outperform the market averages by a substantial margin.

My bullish outlook is based on Shopify's ability to grow market share and launch new products and services. It has ramped up its investments in e-commerce infrastructure, which will likely support its margins in the long run and drive its stock price higher.

Further, its large addressable market, expansion of fulfillment and social commerce capacity, increased adoption of payments offerings, and growing product suite augurs well for merchant acquisitions and future growth.

Meanwhile, Shopify stock is trading at an NTM (next 12-month) EV/sales multiple of 12.4, which is at a multi-year low and presents a [solid buying opportunity](#).

Nuvei

Nuvei ([TSX:NVEI](#))([NASDAQ:NVEI](#)) stock has corrected about 51% in three months. Moreover, it has declined by 62% from its 52-week high. This creates a good entry point for investors planning to add a few top-quality high stocks to their portfolios.

While Nuvei stock is trading cheap, management reiterated the medium- and long-term outlook. It's worth noting that Nuvei's management expects to achieve more than 30% growth in its volumes and revenues in the medium term. Further, the company expects to expand its adjusted EBITDA margins by over 50% in the long term.

Overall, Nuvei's expansion into high-growth verticals, growing portfolio of alternative payment methods, products, opportunistic acquisitions, and investments in innovation, tech, and infrastructure provide a solid base for multi-year growth.

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.)

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