



2 TSX Stocks That Zoomed After Solid Q4 Earnings This Week

Description

This week, finally brought some respite for Canadian fintech investors. The fast-growing company but faster-tumbling stock **Nuvei** ([TSX:NVEI](#))([NASDAQ:NVEI](#)) delivered handsome quarterly numbers that, at last, sent the stock higher. It jumped more than 13% on Tuesday.

At the same time, one energy stock that has been topping the charts is **Vermilion Energy** ([TSX:VET](#))([NYSE:VET](#)). It reported record financial growth that sent the stock 21% higher this week.

Let's see whether these two TSX stocks still have some steam left.

Nuvei

The payment-processing platform provider Nuvei reported a handsome 83% top-line growth year over year in Q4 2021. The e-commerce segment continues to be its biggest revenue contributor at 88%. Its net income for the quarter declined to \$12.3 million from \$22.3 million in Q4 2020. However, for the full year 2022, its net income almost doubled to \$211 million.

However, apart from the financial growth, Nuvei management [increased](#) its guidance for 2022. It now expects 30-35% revenue growth this year relative to last year. The upbeat outlook mainly lifted the stock.

Moreover, Nuvei expanded its operations in the United Kingdom and Latin America during the quarter, taking its presence to 46 countries.

Nuvei is a \$9 billion fintech company that provides payment-processing technology solutions to a diversified client base. It caters to e-commerce merchants, cryptocurrency platforms, and even regulated sports-wagering companies.

After an enormous rally last year, NVEI stock saw a paradigm shift in 2022. The stock has tumbled almost 70% in the last six months. However, it seems to stabilize at around \$65-\$70 levels. In addition, relative discount to its all-time highs and recent quarterly numbers could drive the stock higher,

implying a good entry point at its current levels.

Vermilion Energy

This earnings season has been a delight for energy companies and investors. Superior financial growth has been driving their stocks and dividends since last year. And Vermilion Energy has been no exception.

The company reported net earnings of \$344 million for Q4 2021 against a loss of \$57 million in Q4 2020. Vermilion's free cash flow growth facilitated faster dividend repayments, ultimately bringing down the leverage.

Moreover, it [reinstated](#) its dividends, which were suspended amid the pandemic. Vermilion will now pay \$0.06 per share in Q1 2022, implying a lacklustre yield of 1%. However, if crude oil prices remain strong, investors can expect multiple dividend hikes or special [dividend](#) announcements going forward.

If you have still not invested in energy, it is still not too late. Small-cap TSX energy stocks have beat their large-cap counterparts by a wide margin. Moreover, soaring oil prices and strengthening balance sheets could drive them further higher in the next few quarters.

Interestingly, VET stock has risen 235% in the last 12 months. The stock could trade volatile in the short term after its steep rally and given its fair correlation with volatile oil prices. However, its improving balance sheet strength, dividend resumption, and undervalued stock indicate more upside potential.

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2. NYSE:VET (Vermilion Energy)
3. TSX:NVEI (Nuvei Corporation)
4. TSX:VET (Vermilion Energy Inc.)

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