



Canadian Investors: Why it's Time to Go Long on These 3 Quality Stocks

Description

The global equity markets have become volatile over the last few weeks amid the ongoing Russia-Ukraine war. With the United States and several European countries announcing a series of sanctions on Russia, commodity prices have spiked over the last few days. Meanwhile, investors fear that the rising commodity prices could hurt global economic expansion, leading to a selloff in the equity markets.

Despite the short-term volatility, markets usually deliver superior returns in the long run. So, the selloff offers an excellent buying opportunity in quality stocks. Meanwhile, here are my three top stocks that long-term investors could buy right now.

goeasy

Amid the recent weakness in growth stocks, **goeasy** ([TSX:GSY](#)) has lost over 40% of its stock value compared to its September highs. Meanwhile, I believe the correction offers an excellent entry point for long-term investors.

The non-prime consumer credit market is highly fragmented, with goeasy occupying just 1% of the market share. So, it has substantial scope for expansion. Meanwhile, it looks to strengthen its distribution channels, introduce new product offerings, improve customer relationships, and expand its footprint to drive growth. The company could also benefit from improving economic activities amid easing restrictions.

Given the favourable environment and its growth initiatives, goeasy's management [expects](#) its loan portfolio to grow by 76% to \$3.6 billion by 2024. The expansion of its loan portfolio could drive its financials, thus delivering over 22% of return on equity for the next three years. Meanwhile, the company has also raised its dividend for the last eight years at a CAGR of over 34%. So, given its healthy growth prospects and discounted stock price, [I believe goeasy to be an excellent addition to your portfolio.](#)

Docebo

Docebo ([TSX:DCBO](#))([NASDAQ:DCBO](#)), which offers corporate e-learning solutions, is trading close to 54% lower from its September highs. Along with the weakness in growth stocks, the concerns over its higher valuation have dragged its stock down. Investors are worried that the easing of restrictions could lower the demand for its products and services.

However, I believe the demand for Docebo's products and services could sustain, as more organizations are adopting e-learning platforms due to their cost effectiveness. The rising adoption of hybrid work culture could benefit the company. Meanwhile, the company is expanding its customer base through new additions. As of September 30, it had 2,636 customers, representing a 30% year-over-year growth. Its multi-year contracts, increasing average contract value, and growing annual recurring revenue could boost its financials in the coming quarters. So, I believe Docebo could be an excellent buy for long-term investors.

Nuvei

Nuvei ([TSX:NVEI](#))([NASDAQ:NVEI](#)) had posted a solid fourth-quarter performance yesterday, outperforming analysts' expectations. Its revenue came in at US\$211.9 million, representing year-over-year growth of 83%. Meanwhile, its adjusted EPS also grew 42.4% to \$0.47. The strong performance in Latin America, Europe, the Middle East, and Africa regions more than offset a decline in the Asia Pacific region to drive its financials.

Meanwhile, the company is enhancing its global payment capabilities by implementing technological advancements. The company is working on launching online gaming and sports betting in Ontario from next month, thus further strengthening its position in the sector. Given Nuvei's high-growth potential, its management has set an optimistic fiscal 2022 target. Its 2022 revenue could come in the range of US\$940-\$980 million, representing year-over-year growth of 30-35%. The management also expects its adjusted EBITDA to increase by 28-34% this year.

Amid the strong performance and healthy outlook, Nuvei's stock rose 13.6% yesterday. Despite the rise, the company still trades over 64% lower from its September highs. So, I believe Nuvei could be an excellent buy right now.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. NASDAQ:NVEI (Nuvei Corporation)
3. TSX:DCBO (Docebo Inc.)
4. TSX:GSY (goeasy Ltd.)
5. TSX:NVEI (Nuvei Corporation)

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Date

2025/07/02

Date Created

2022/03/09

Author

rnanjapla

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