Got $1,000? 3 Cheap TSX Stocks to Buy Now

Description

Thanks to the recent selloff, several TSX stocks appear reasonably priced at current levels, representing an opportunity to buy and hold them for the long term. While shares of these companies are attractively priced, they have strong growth potential and will likely deliver significant returns in the long run. So, if you have $1,000, consider buying these three stocks.

Docebo

Shares of the multi-product corporate e-learning platform provider, **Docebo** (TSX:DCBO)(NASDAQ:DCBO), have corrected quite a lot. To be precise, Docebo stock has corrected 50.6% from its 52-week high. Meanwhile, it is down about 31.5% this year.

While its stock price witnessed significant correction, Docebo continues to perform well and consistently delivers stellar financials, despite tough year-over-year comparisons. It recently announced its Q4 results, wherein its top line increased 59% year over year. Meanwhile, subscription and annual recurring revenue increased by 64% and 59%, respectively.

Thanks to the ongoing momentum in organic revenues, Docebo is poised to deliver strong results, which will likely drive the recovery in its stock. Further, its growing enterprise customer base, consistent growth in average contract value, and high retention rate augur well for growth.

Moreover, opportunistic acquisitions, the addition of new customers, expansion in Europe and the Asia-Pacific region, improving productivity, and product expansion provide a solid base for growth.

Lightspeed

At current levels, **Lightspeed** (TSX:LSPD)(NYSE:LSPD) stock is a must-have in your portfolio. The massive correction of more than 80% in its value indicates that negatives are already reflected in its price. Further, the company has multiple growth catalysts that could lead to a recovery in its stock.

Given the correction in its stock price, Lightspeed's valuation is at a multi-year low. It trades at an EV/sales multiple of 3.8, which is considerably lower than the historical average. Further, Lightspeed benefits from the continued shift in selling models towards multi-channel selling platforms. Moreover, expansion of products, higher penetration of its payments solutions, increase in average revenue per user bodes well for growth.

Lightspeed is also likely to benefit from its expansion into high-growth regions. Moreover, opportunistic acquisitions and momentum in its core business will likely support its growth.

Nuvei

Nuvei (TSX:NVEI)(NASDAQ:NVEI) is another stock that faced investors' wrath. It has declined by 59% from the 52-week high and is trading at a forward EV/sales ratio of 8.2, reflecting a sharp compression in valuation.

The compression in its valuation presents an excellent opportunity for investors to buy the shares of this high-growth company. Nuvei expects to grow its volumes and revenue by over 30% per annum in the medium term, which is encouraging.

Moreover, the addition of new alternative payment methods, entry into high-growth verticals like social gaming, acquisition of new customers, and high retention rate provide a solid platform for growth.

Further, its focus on product innovation, target market expansion, higher revenues from existing customers, and strategic capital allocation (including opportunistic acquisitions) will likely accelerate its growth.

Bottom line

While the equity market could remain choppy in the short term, these Canadian corporations have multiple growth vectors, are reasonably priced at current levels, and are well positioned to deliver strong returns in the long term.

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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