2 Undervalued Growth Stocks to Buy Right Now

Description

Growth stocks, particularly in the tech sector, have not fared well as of late. Despite the **S&P/TSX Composite Index** trading sideways for most of the past six months, many top growth companies are currently trading far below all-time highs.

It's understandable to be hesitant about investing in growth stocks today. There's a lot of uncertainty in the stock market right now, so it's anybody's guess as to how much longer high-growth tech stocks will continue to slide.

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Short-term investors may not see much value in growth stocks today. But if you've got a long-term time horizon, meaning five years or longer, now's a very opportunistic time to be putting cash into the Canadian stock market.

Here are two top growth stocks that Canadian investors can buy at a massive discount right now. If you can handle the volatility, I'd have both companies high up on your watch list today.

Growth stock #1: Docebo

Docebo (TSX:DCBO)(NASDAQ:DCBO) was one of the top-performing companies on the TSX in 2020. The growth stock ended the year with gains nearing 400%. Shares initially dropped during the COVID-19 market crash in early 2020, but the tech stock managed to rebound incredibly well throughout the rest of the year.

Demand for Docebo's cloud-based learning management systems exploded in 2020 due to the abrupt shift to remote work for employees across the globe.

Today, the growth stock is trading more than 50% below all-time highs set in September 2021. Still, shares are up close to 300% since going public in late 2019.

With many employees now beginning to slowly return to shared office spaces, it's not surprising to see shares of Docebo cool off. Couple that with a wider selloff across the tech sector, and it explains why the company is trading at such a discount.

Growth stock #2: Nuvei

Similar to Docebo, **Nuvei** (TSX:NVEI)(NASDAQ:NVEI) is still a very new public company, having only joined the TSX in September 2020. Despite its short life as a public company, though, Nuvei shareholders have endured all kinds of volatility.

The growth stock was at one point up close to 300% in 2021 alone. But alongside many other tech stocks, it all began going downhill last September. Shares of Nuvei have dropped close to 60% over the past six months.

The $10 billion company provides a range of different types of payment solutions to its customers across the globe, with a specialization in cashless transactions. The payment space is a competitive one, but Nuvei has done a solid job gaining market share in a crowded market.

Even after a 50% selloff, Nuvei is still priced at a premium. But considering the growth that the tech company has delivered since it went public, it certainly warrants a steep price tag.

With a huge market opportunity in front of it, I'm betting that Nuvei will continue to be a market-beating stock for many more years.

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Foolish bottom line

I'll admit, it's far from easy to invest in companies that are trading as much as 50% below all-time highs. It's only natural to question the quality of a stock after losing half of its value in just six months. But growth investors can rest assured, the TSX is full of high-quality tech businesses that have witnessed share prices tank over the past half-year.

If you're investing for the long term, don't let the recent selloff in the tech sector stop you from starting a position in any of these two growth stocks today.

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:NVEI (Nuvei Corporation)

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