



2 TSX Stocks to Act Quickly on

Description

The tech industry went through a massive downward correction in 2021, as the pandemic-induced tech boom lost its momentum. Tech stocks across the board saw a significant influx of investor capital, as it provided Canadians with a lucrative opportunity to capitalize on the broader market trends favouring the industry.

However, inflationary environments exacerbated the effects of a return to relative normalcy slowing down interest in the tech sector. As Canadians began fleeing risk, investing in [growth stocks](#) took a back seat. The Canadian tech sector boasts some of the biggest names among top growth stocks, and that sector naturally took a hit.

After several consecutive months of a tech sector meltdown, the industry appears to show signs of life. Investors waiting on the sidelines to capture high growth when it happens might finally have the opportunity they have been waiting for on their hands right now. Today, I will discuss two **TSX** stocks that you should act on quickly to benefit from a [tech sector recovery](#).

Shopify

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) is one of the top growth stocks on the TSX and became a favourite among Canadian investors after a stellar first few years on the stock market. However, the 2021 tech meltdown did not spare Shopify stock, resulting in a significant downturn in its valuation. Shopify has been performing well over the last few quarters in terms of business.

The demand for its services skyrocketed during the pandemic. Its revenue-growth rate has slowed down considerably, as the world moves into a post-pandemic era, but the company is still growing. It boasts the ability to expand its market share, launch new products, and it can capitalize on the increasing adoption of its payments solutions. From a business perspective, Shopify stock has plenty of room to grow.

Shopify stock trades for \$884.38 per share at writing, down by almost 60% from its all-time highs, despite the recent surge. It could be the perfect time to pick up its shares to capture its upside recovery.

Nuvei

Nuvei ([TSX:NVEI](#))([NASDAQ:NVEI](#)) is another emerging force in the Canadian tech space that established a strong foothold in the industry during the pandemic. Nuvei is a \$12.65 billion market capitalization Canadian electronic payment-processing company. The pandemic accelerated the increasing digitization of the economy, and providers like Nuvei have flourished in this environment.

The company continues to expand rapidly through its diversified revenue base, expanding customer base, high retention rate, and entry into several high-growth business verticals. The company has made several high-quality strategic acquisitions that suggest the potential of its revenue growth rate accelerating soon.

Nuvei stock trades for \$88.64 per share at writing, down by almost 50% from its all-time high, despite the recent surge. It could be the ideal time to pick up its shares for a discount.

Foolish takeaway

Several high-quality stocks that have been trading for a significant discount from their all-time highs appear to be on the road to recovery. Investors who had been waiting on the sidelines to benefit from the recovery by setting some cash aside to invest in [recovering high-growth stocks](#) now have the floor open.

It is important for investors to carefully choose the right growth stocks due to the inherent risk involved. Shopify stock and Nuvei stock could be ideal investments for this purpose due to the companies' financial performances and outlook in the coming years.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:NVEI (Nuvei Corporation)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:NVEI (Nuvei Corporation)
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