



4 Canadian Growth Stocks Looking Attractive Right Now

Description

Despite the Russia-Ukraine war intensifying, the Canadian benchmark index, the **S&P/TSX Composite Index**, is trading close to its peak. However, few growth stocks have witnessed a significant sell-off over the last few weeks amid the concerns over rising inflation and normalizing growth amid the reopening of the economy. Meanwhile, the sell-off has dragged stock prices down to attractive levels. Here are my four top bets.

Lightspeed Commerce

Amid a short report from Spruce Point and weakness in tech stocks, **Lightspeed Commerce** ([TSX:LSPD](#))([NYSE:LSPD](#)) has lost over 78% of its stock value. I believe this steep pullback offers an excellent buying opportunity due to the company's long-term growth potential. With the surge in online shopping, the demand for the company's services is rising. Meanwhile, it's adding new products and expanding to new markets, which could increase its customer base and average revenue per customer.

Further, Lightspeed Commerce earns a substantial percentage of revenue from recurring sources. It also makes strategic acquisitions to strengthen its position. Amid the recent correction, the company's forward price-to-sales multiple has declined to 6.4, lower than its historical average. So, I am bullish on Lightspeed Commerce.

Nuvei

Second on my list is **Nuvei** ([TSX:NVEI](#))([NASDAQ:NVEI](#)), trading at a 50% discount from its September highs. The company, which supports over 530 alternative payment methods, including cryptocurrencies, had reported a [solid fourth-quarter performance](#) earlier this month. Its revenue increased by 83%, while its adjusted EPS increased by 42.4%.

Meanwhile, I expect the uptrend in the company's financials could continue amid the rising popularity of digital payments. Besides, the company is venturing into new markets, introducing new products, and making strategic partnerships, which could support its growth in the coming quarters. Also, it

services regulated online gaming and sports betting operators in over 10 states in the United States. So, given its multiple drivers, I expect Nuvei to deliver superior returns over the next three years.

goeasy

goeasy ([TSX:GSY](#)), which provides leasing and lending services to sub-prime lenders, has delivered solid performance over the last 20 years, with its adjusted EPS growing at a CAGR of 24.9%. The company has acquired just 1% of the highly fragmented sub-prime lending market despite the growth. Given its wide product range, geographical expansion, the addition of new vertices, and strengthening of its distribution channels, the company is well-equipped to increase its market share in the coming years.

Further, the reopening of the economy could increase loan origination, thus driving the demand for goeasy's services. Amid the weakness in growth stocks, the company has lost over 38% of its stock value. Its forward price-to-earnings multiple now stands at an attractive 11.2. So, [I believe goeasy to be an excellent buy right now.](#)

Docebo

My final pick is **Docebo** ([TSX:DCBO](#))([NASDAQ:DCBO](#)), which is trading over 48% lower than its September highs. However, the corporate e-learning solutions provider is expanding its customer base and average revenue per customer at a healthier rate. Over the last five years, it has grown its customers at a CAGR of 46.8% while increasing its average contract value by four times.

Docebo also earns around 92% of its revenue from recurring sources, which is encouraging. Besides, the company's addressable market is expanding amid the increased adoption of e-learning solutions. With its highly configurable platforms, the company is well-equipped to capture the rising demand. So, Docebo would be an excellent buy at these levels.

CATEGORY

1. Bank Stocks
2. Investing
3. 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:GSY (goeasy Ltd.)
6. TSX:LSPD (Lightspeed Commerce)
7. TSX:NVEI (Nuvei Corporation)

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