



3 TSX Stocks to Buy Now and Hold

Description

High inflation, rising interest rates, and geopolitical concerns have weighed on growth stocks. Moreover, normalization in growth after the pandemic-accelerated demand further played spoilsport. Amid a growing list of challenges, it's tough to invest in equities. However, given the recent correction in the prices of several high-quality stocks, now is an [opportune time to buy](#) and hold names like **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)), **Nuvei** ([TSX:NVEI](#))([NASDAQ:NVEI](#)), and **Docebo** ([TSX:DCBO](#))([NASDAQ:DCBO](#)).

While these TSX stocks are trading at a discount, they are growing revenues rapidly. Further, expansion of their products and secular tailwinds augur well for growth. Let's look at factors that could spur the recovery in these stocks, leading to stellar long-term gains.

Shopify

Economic reopening and tough year-over-year comparisons could hurt Shopify's growth. Given the challenges, Shopify expects revenue growth to stay below 2021 levels. Further, it has ramped up investments in e-commerce infrastructure amid slowing growth, which didn't sit well with investors. This, along with macro concerns, dragged Shopify stock lower, which is down about 57% this year.

While Shopify's growth could come lower than 2021 levels, it could continue to grow rapidly due to a structural shift towards omnichannel selling platforms. Further, its current investments are creating multi-year growth opportunities for the company.

Overall, Shopify's ability to attract merchants, expansion of products into newer geographies, investments to strengthen its fulfillment network, and growing share in the U.S. retail makes me bullish. Moreover, the growing adoption of its payment offerings, high-value product launches, and strength in social commerce augur well for growth.

Shopify stock is trading at an attractive discount and offers strong growth, making it an attractive investment at current levels.

Nuvei

Like Shopify, Nuvei stock has reversed a considerable portion of its gains. However, I see multiple factors why one should accumulate Nuvei stock at current levels. Notably, the ongoing digital shift, e-commerce adoption, uptick in regulated social gaming, and crypto demand are why Nuvei could continue to deliver [stellar growth](#).

Its revenue and adjusted EBITDA are growing fast. Moreover, the company expects its top line and volume to grow at over 30% per annum in the coming years.

I believe Nuvei could easily achieve more than 30% annualized revenue growth in the medium term due to product expansion, increasing addressable market, and customer acquisitions. Furthermore, higher revenue from existing customers, expansion into growth verticals, and opportunistic acquisitions bode well for growth. Also, the addition of multiple new alternative payment methods and reacceleration in e-commerce growth in the second half of 2022 should support its growth.

Docebo

While Docebo stock has recouped a substantial portion of its losses, it still trades at an attractive discount from the peak. Nevertheless, Docebo's top line is growing fast, despite growth concerns. The ongoing strength in its organic revenue and opportunistic acquisitions support its overall revenue growth.

Besides strong annual recurring revenues, continued expansion of its customer base, growing average order value, and high net dollar retention rate provide a solid platform for growth.

Furthermore, higher enterprise and government spending, geographic expansion, new product launches, and higher efficiency would support its revenue and margins in the long term.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. NASDAQ:NVEI (Nuvei Corporation)
3. NYSE:SHOP (Shopify Inc.)
4. TSX:DCBO (Docebo Inc.)
5. TSX:NVEI (Nuvei Corporation)
6. TSX:SHOP (Shopify Inc.)

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