3 Canadian Growth Stocks to Beat the Market

Description

Thanks to a more volatile macro and geopolitical environment, top Canadian growth stocks are trading at reasonable prices. While the uncertain macro environment and Russia/Ukraine conflict could create short-term challenges, I believe now is the time to buy and hold high-growth stocks to beat the broader market averages by a significant margin in the long term.

Let's look at three Canadian stocks that have witnessed pullbacks while their fundamentals remain intact.

Nuvei

Investors dumped the shares of payment technology company **Nuvei** (TSX:NVEI)(NASDAQ:NVEI) following the short report from Spruce Point. Further, general selling in the high-growth stocks eroded a fair amount of value.

Despite the negative developments, Nuvei delivered stellar financial performance and reiterated its medium-term volume and revenue growth outlook, which shows the strength of its business model. For background, Nuvei's volume and revenue jumped 121% and 93%, respectively. Meanwhile, it expects over 30% annual growth in its volume and revenue in the medium term.

Looking ahead, the ongoing digital shift, growing addressable market, and new product launches would support its growth. Further, increased e-commerce penetration, strong crypto demand, the addition of new alternative payment methods, and expansion into high-growth verticals augur well for growth. Also, its focus on generating higher revenue from existing customers and productivity savings are likely to support its growth.

Nuvei stock has corrected by more than 50% from its high, making its valuation attractive and providing a solid buying opportunity.

goeasy

The decline in the shares of the financial services company **goeasy** (TSX:GSY) represents an investment opportunity. goeasy stock has consistently delivered strong growth that helped generate solid returns for its shareholders over the past several years. Thanks to its growing base, goeasy has boosted its shareholders' value through increased dividend payments over the past eight years.

goeasy is poised to deliver strong revenue and earnings in the coming years on the back of higher loan originations and strong payment volumes. Furthermore, a large subprime lending market, product expansion, the addition of new channels, and strategic acquisitions suggest that momentum in goeasy's revenue and net income will likely sustain in the coming years.

Overall, goeasy's strong growth, ability to enhance shareholders' returns, and the pullback in its share price support my bullish outlook.

Docebo

Shares of the corporate e-learning platform provider **Docebo** (TSX:DCBO)(NASDAQ:DCBO) appear attractive at current levels. Due to the selling in tech stocks, Docebo has lost substantial value. However, it continues to deliver robust organic sales, reflected through the strength in annual recurring revenues. Moreover, its subscription revenue now represents more than 90% of its revenue, which is positive.

With the ongoing momentum in its business, Docebo is poised to deliver strong organic sales. Docebo continues to acquire new customers while its retention rate remains high. Also, the average contract value is growing with multi-year contracts. Moreover, product expansion, a large addressable market, and opportunistic acquisitions bode well for growth.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. NASDAQ:NVEI (Nuvei Corporation)
3. TSX:DCBO (Docebo Inc.)
4. TSX:GSY (goeasy Ltd.)
5. TSX:NVEI (Nuvei Corporation)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media

6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. kduncombe
2. snahata

Category

1. Investing

Date
2025/08/23
Date Created
2022/04/21
Author
snahata