



New to Stock Investing? 1 TSX Stock to Buy Today and Hold Forever

Description

Investing in fundamentally strong stocks is certainly one of the best ways to multiply your hard-earned savings. While most new investors consider picking the right stocks to invest in as their biggest challenge, investing with a long-term approach is equally important, in my opinion. No matter how wonderful stocks you choose to buy are, in most cases, you might not realize the true potential of stock investing if you don't hold them for the long term.

To help stock market beginners to pick the right stocks, I'll highlight one amazing growth stock on the **TSX** in this article. New investors could consider buying and holding it as long as they want to receive an outstanding return on their investment.

Lightspeed Commerce stock

Lightspeed Commerce ([TSX:LSPD](#))([NYSE:LSPD](#)) has been one of the most beaten-down growth stocks on the TSX lately. It currently trades with massive 42% year-to-date losses at \$29.65 per share against a minor 1% drop in the TSX Composite benchmark in 2022 so far. However, its recent stock underperformance doesn't make this tech company fundamentally weak.

Instead, most of its recent losses could be attributed to external factors, including a New York-based short-sellers' critical report on Lightspeed and the recent tech sector-wide selloff.

Why this high-growth stock has crashed lately

In September last year, a short- seller (Spruce Point Capital) severely [criticized](#) Lightspeed and its management for massively inflating its business pre-IPO and inflated valuation. As I've noted in some of my recent articles, while this short report failed to make any significant change in Street analysts' opinion about Lightspeed, it seemingly hurt retail investors' sentiments badly, leading to a massive selloff in this growth stock.

As the year 2022 began, worries about high inflation and expectations of aggressive interest rate hikes

led to a technology sector-wide crash, accelerating LSPD stock's downward movement. These factors have been the key reasons why Lightspeed stock has lost nearly 80% of its value since August 2021.

The recent [tech meltdown](#) also affected nearly all Lightspeed's home market peers, including **Shopify** and **Docebo**. Notably, Shopify and Docebo have seen 68% and 34% value erosion in 2022 so far, respectively.

It still is a great stock to buy for new investors

Looking at Lightspeed stock's recent performance, new investors might now get an idea about its outstanding financial growth trends. For example, last year, the Canadian tech company registered a massive 84% jump in its total revenue to US\$221.7 million, and its adjusted gross margin for the year jumped by more than 64% to around US\$127.3 billion. In fact, in the last four reported quarters combined, LSPD's year-over-year revenue growth rate has been a solid 176%.

This massive top-line growth is mainly driven by consistently rising demand for Lightspeed's omnichannel commerce-enabling platform in the post-pandemic world. Nearly 64% of its total revenue in its fiscal year 2021 came from the U.S. market, reflecting the rising popularity of its services in the country. I expect this strong sales growth could help the Canadian tech company achieve sustainable profitability much sooner than expected and help its stock yield solid returns in the long term.

Given these positive factors and its recent big crash, I consider Lightspeed a really cheap high-growth stock to buy now for new investors and worth holding for the long term.

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