2 Growth Stocks Already on the Rebound

Description

Motley Fool investors likely have a lot of cash on hand right now — that or a lot of losses. In either case, you're likely looking for a way to get your money's worth in this volatile market. And you could do that by looking at growth stocks.

Perhaps you've already done your due diligence. You've found some blue-chip companies to invest in for long-term income. And that's great! But I wouldn't blame you for wanting some growth stocks to quickly regain your losses.

If that sounds like you, here are two growth stocks that are already on the path to recovery. Furthermore, they're likely to stay that way.

Enthusiast Gaming

Motley Fool investors looking into growth stocks simply cannot underestimate the gaming industry. And yet **Enthusiast Gaming Holdings** (TSX:EGLX)(NASDAQ:EGLX) continues to be a solid buy for those wanting growth in the next year and beyond.

The global gaming ecosystem continues to showcase signs of early earnings potential for both Enthusiast and other companies around the world — especially as the company's earnings just came in topping estimates.

Revenue jumped 57% year over year to $47.2 million, with gross profit up a whopping 127% to $13.5 million. Subscription revenue was up 83% to $3.3 million, with even more paid subscribers on board. Management remains confident it can continue to deliver this top-line growth, spurred on by such strength in a seasonally slow time of year.

There is even more potential for growth stocks like Enthusiast in the future. Yet it still trades down 26% year to date, with analysts giving a target price of $8.61. That's a potential upside of 215%!

Docebo

The other company of the two growth stocks I'd recommend is **Docebo** (TSX:DCBO)(NASDAQ:DCBO). As analysts say, the company "continues to do what it said it would do," and that's a good thing. The cloud-based learning platform recently reported earnings that fell lower than estimates, which wasn't so good. But still, long-term analysts remain confident about the company's performance.

In fact, despite coming in lower than estimates, Docebo stock still posted a strong first quarter. Shares fell by around 15%, which left analysts shaking their heads at the overreaction. But, of course, we continue to trade in a volatile market. So, this definitely skewed share growth.

That does leave investors with the opportunity to pick up the stock for some value. Management reiterated its goal of leaving the fourth quarter with a positive EBITDA and free cash flow. Furthermore, it continues to have a solid pipeline of projects with no near-term risk of that going anywhere. Therefore, while short-term shares may not growth by an astounding rate, coming out of this volatile market could see shares jump incredibly high.

In fact, shares of Docebo stock could double in the next year, according to analysts. Even as they trim estimates. Shares are down 51% as of writing, with a potential upside of 100% to reach its target price of $82.

Foolish takeaway

It won't come as a surprise that these growth stocks are both tech stocks. But they're tech stocks in industries that remain strong, with long-term growth well into the future. Enthusiast and Docebo have solid, growing platforms that Motley Fool investors can latch onto — and should, if they want growth in the next year or so.

CATEGORY

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2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. OTC:EGLX.F (Enthusiast Gaming)
3. TSX:DCBO (Docebo Inc.)
4. TSX:EGLX (Enthusiast Gaming Holdings Inc.)

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