



With Lightspeed Stock up 21%, Is the Tech Stock Finally a Buy?

Description

Shares of **Lightspeed Commerce** ([TSX:LSPD](#))([NYSE:LSPD](#)) are finally seeing some positive momentum over the last few weeks. Lightspeed stock has grown by 21% in the last two weeks alone! With a huge jump on company earnings.

Growth continues

The biggest point to notice is that Lightspeed stock growth has been sustained. While other [tech stocks](#) remain volatile, fluctuating up and down, Lightspeed has continued with its upward momentum. This has occurred since a market correction was announced on the **TSX**. But a big jump occurred just a few days ago during its earnings report.

Shares of Lightspeed stock climbed by 25% on earnings, as the company stated the reopening after the pandemic has been good to the tech stock. It now has 163,000 restaurants, retailers, and hospitality providers with revenue growing 78% year over year to US\$146.6 million. This beat estimates of US\$141 million.

This shift comes as consumers are moving away from products, and towards services. In either case, it looks like Lightspeed stock would benefit. Even with less e-commerce growth, it still saw revenue per retailer climb by 35% year over year.

Major fall

The upward momentum is great news after the year Lightspeed stock investors have had. Shares plummeted on news of a short-seller report that raised questions on the company's reported financials. It led to a new role for former chief executive officer Dax DaSilva and a major selloff.

This was then followed by a selloff with tech stocks in general during 2022. In fact, shares are still down 36% year to date, even with the recent signs of improvement.

And while growth looks like it might be on the way, it's important to note that Lightspeed stock is still operating at a loss of US\$114.5 million for the quarter, up from US\$42 million the year before thanks to all its acquisitions.

What now for Lightspeed stock?

After over \$2 billion in acquisitions, it's implementation time. Retailers are using these new products and seeing them work for their businesses. CEO Jean Paul Chauvet stated these integrations would boost revenue, especially now that pandemic restrictions are easing.

Furthermore, Lightspeed stock operates on a global scale. So, it doesn't rely on just North America for strong revenue boosts. This should also help the company achieve profitability, if only on an adjusted basis. The company estimates revenue between US\$740 and US\$760 million for the next fiscal year, with a loss down to US\$35 and US\$40 million.

Foolish takeaway

Lightspeed stock looks like it will continue to integrate these acquisitions, as it continues to chip away at its losses. Whether that loss is achieved this year or the next, it looks like we're on the path towards profitability. This would make now a great time to consider the stock as it continues to trade far below all-time highs of \$160. In fact, it's still down 80% from those heights.

If you're a patient investor, now looks like a great time. But if you're still [worried about volatility](#), maybe wait for another earnings report to come out before buying up this stock on the TSX today.

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