



3 Top Tech Stocks to Buy in June 2022

Description

Top TSX tech stocks have lost substantial value amid the recent selling in the market. Further, the uncertain macro and geopolitical environment indicate that tech stocks could stay volatile in the short term. However, the significant compression in their valuation due to the sharp decline in their stock prices suggests now could be the right time for [investing in tech stocks](#).

Within the tech space, I am bullish on **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)), **WELL Health** ([TSX:WELL](#)), and **Nuvei** ([TSX:NVEI](#))([NASDAQ:NVEI](#)). Shares of these high-growth companies have lost over 50% of their value. However, their fundamentals remain strong, while their stocks could bounce back sharply, as the economic headwinds ease. Let's dig deeper.

Shopify

The slowdown in Shopify's growth weighed heavily on its stock price. This year, it has fallen more than 73%, wiping out its pandemic-led gains. While Shopify's growth slowed, this shouldn't surprise much, as it was up against tough year-over-year comparisons. Further, with the economic reopening, a portion of consumer spending was expected to trickle down to offline retail.

While Shopify's growth has decelerated, the company continues to invest in sales and marketing, which augurs well for long-term growth. Further, the growing penetration of e-commerce sales and its focus on strengthening its commerce infrastructure will likely accelerate its growth.

It's worth mentioning that Shopify's new commercial initiatives, expansion of its products into new geographies, new product launches, and focus on social commerce will likely drive more merchants to its platform. Further, opportunistic acquisitions could accelerate its growth rate.

Notably, Shopify's next 12-month EV/sales multiple of 6.6 is at a multi-year low, providing a solid buying opportunity.

WELL Health

WELL Health stock could be a valuable addition to your portfolio. It has dropped over 55% due to the selling in tech stocks. However, the company's business shows no signs of weakness. Instead, WELL Health continues to deliver robust sales growth. Meanwhile, it has consistently delivered positive adjusted EBITDA for the past several quarters.

However, what sticks out is WELL Health's ability to drive omnichannel patient visits. Moreover, the company expects to deliver profitable growth in 2022, which is positive.

The strength in its underlying business, ability to accelerate growth through acquisitions, an extensive network of outpatient medical clinics, and momentum in the U.S. business bode well for growth. Moreover, the stock is trading at a next 12-month EV/sales multiple of 2.4, which appears to be low.

Nuvei

Down over 63% from its peak, Nuvei stock could be a profitable investment in the long term. My bullish outlook stems from its ability to drive volumes amid the growing penetration of e-commerce. Despite the uncertain macro environment, Nuvei continues to grow its revenue at a breakneck pace, led by strong demand and new customer acquisitions.

Furthermore, expansion into high-growth verticals, focus on driving higher revenues from existing customers, and addition of new alternative payment methods support my positive view. Also, strategic acquisitions and expansion into new geographies will likely accelerate its growth.

Due to the recent correction in its price, Nuvei stock is trading at a next 12-month EV/sales multiple of 6.7, which is well within investors' reach and reflects a substantial discount from the historical average.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:NVEI (Nuvei Corporation)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:NVEI (Nuvei Corporation)
4. TSX:SHOP (Shopify Inc.)
5. TSX:WELL (WELL Health Technologies Corp.)

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