1 High-Growth Stock That's Become Too Cheap Amid This Market Correction

Description

The great growth meltdown of 2021-22 and TSX correction has been unforgiving to beginner investors. Add the crypto crash into the equation and many newbies are probably feeling like throwing in the towel on investing for good. Undoubtedly, Foolish investors are likely still under a bit of pain, but they're still in the game.

I've slammed **Bitcoin** and other cryptocurrencies as well as other speculative investments that looked "bubbly" in nature.

Bitcoin and the like may be hip for the times. But it's vital to know that if you can't explain what you own or how it creates value, you may be speculating, not investing. At the end of the day, investing is about trying to get a lot of value out of every bet you make. Not about just hoping an asset rises in price. Hoping and watching prices move higher isn't investing. Just ask Warren Buffett, who wants investors to know the difference between speculating and true long-term investing.

While it's hard to value stocks today, as rates skyrocket to the moon, I think the recent projections from the U.S. Federal Reserve are comforting to growth investors. That's a major reason why high-multiple — or should I see previously high-multiple? — tech stocks led the upward charge on an upbeat Wednesday induced by a 75-bps rate hike.

Growth won't crash forever

Growth is in free fall, but it won't plunge to zero. It'll turn a corner once Mr. Market deems the correction is over. Until then, he's fine with taking out all of the excess that's been pumped into the markets over the past year and a half. Growth is toxic right now, especially those that shed over 80% of their value.

Still, I think the damage has been overdone with certain innovative companies that are not going anywhere because the markets crashed their stocks.

Bottom-fishing in the tech sector is not for the faint of heart. Unless you're expecting to take a hit to the chin, it's not advisable to get in right now. However, if you're a young investor who can afford to take damage over the near term for a shot at longer-term gains (think five to 10 years out), why not have a look at some of the beaten-up growth names, rather than shunning them now that they're cheap?

Nuvei stock: A top growth stock bargain to buy amid a market correction?

Currently, **Nuvei** (TSX:NVEI)(NASDAQ:NVEI) is a speculative tech darling that may finally be worth picking up at a price that's now approaching its IPO levels. The payments firm felt the full force of the fintech crash of 2021. As shares look to implode further, I wouldn't hesitate to dollar-cost average (DCA) starting at these levels.

The company isn't just another fintech player in a crowded arena. It's an intriguing firm with a solid management team and a knack for spotting value in its realm. Recently, the company announced an agreement with Hard Rock Sportsbook to serve as a real-time payment service provider. It's a great deal that could fuel much more growth for Nuvei. Similar deals may follow, even as investors give up on the stock.

As valuations continue to dip, expect Nuvei to take advantage of opportunities. In 2021, the company made a splash in e-commerce and crypto. The latter move (the acquisition of Simplex) is likely why investors are punishing NVEI stock amid crypto's nosedive. However, Nuvei isn't too exposed to the coming crypto winter. As such, those seeking growth at a reasonable price may wish to consider doing a bit of buying here.

Nuvei is a great company. Is it misunderstood and ugly amid a tech selloff? Sure, but I find the risk/reward scenario enticing at 7.3 times sales.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NASDAQ:NVEI (Nuvei Corporation)
2. 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. joefrenette
2. kduncombe

Category

1. Investing

Date
2025/06/30
Date Created
2022/06/17
Author
joefrenette