



TFSA Investors: 3 TSX Stocks You'll Regret Not Buying on the Dip

Description

While the TFSA allows investors to invest in a wide range of investments, now is time to own stocks. The reason is that top-quality TSX stocks are currently trading significantly below the levels they were a year back, providing an excellent opportunity for buying.

For instance, the recent pullback allows investors to buy top-quality stocks like **Shopify** at about an 80% discount from its highs. Thanks to its strong fundamentals and solid growth prospects, Shopify is a must-have [tech stock](#) in your TFSA portfolio. Besides Shopify, let's look at two more stocks that are trading cheap and could deliver superior returns in the long term.

Lightspeed

With a decline of about 81% from its peak, **Lightspeed** ([TSX:LSPD](#))([NYSE:LSPD](#)) stock is an excellent investment for TFSA investors. Despite tough comparisons, Lightspeed continues to deliver strong financials due to the ongoing momentum in its business. This commerce-enabling company benefits from the digital shift as well as the reopening of the economy.

Notably, the reopening of retail locations and in-person dining will likely increase the investments in technology, driving demand for Lightspeed's offerings.

Though the macro headwinds are a drag, Lightspeed's management is confident of achieving strong organic growth, which is positive and reflects the strength of its business model. It projects organic growth of 48% in Q4 of FY22 and 35-40% in FY23.

The increase in its customer base, focus on acquiring high-value customers, increase in the number of customers opting for its multiple modules, focus on increasing its penetration in the existing markets, and entering new geographies and verticals provide a solid base for growth. Also, higher average revenue per user and growing payments penetration will likely support its organic growth.

Lightspeed also actively pursues M&A opportunities, which accelerates its growth by expanding its product base, strengthening its competitive position, and entering new markets.

All in all, Lightspeed stock is trading cheap, has solid growth prospects, and could deliver stellar tax-free returns in the long term.

Nuvei

Like Lightspeed, **Nuvei** ([TSX:NVEI](#))([NASDAQ:NVEI](#)) stock has declined quite a lot (72% from its 52-week high). While Nuvei stock has trended lower, several factors indicate that Nuvei could bounce back strongly and outshine the broader market in the long term.

Nuvei's continued investments to strengthen its direct sales network and diversified distribution partners help in acquiring new customers. Moreover, adding new alternative payments, focusing on localized markets, and expanding digital assets and cryptocurrency solutions support its customer growth.

Besides its growing customer base, its high retention rate and ability to grow its wallet share with existing customers with a limited incremental cost support its profitability. It is also targeting new geographies, focusing on opportunistic acquisitions, and investing in product development, which provides a multi-year growth opportunity.

Bottom line

These tech companies have solid fundamentals and are poised to benefit from the digital shift. Further, shares of these high-growth tech companies are trading at a significant discount, offering TFSA investors a solid opportunity to capitalize on the pullback.

CATEGORY

1. Investing
2. Tech Stocks

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2. NYSE:LSPD (Lightspeed Commerce)
3. TSX:LSPD (Lightspeed Commerce)
4. TSX:NVEI (Nuvei Corporation)

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