



1 Beaten-Down Tech Stock You'll Be Happy You Own in 2032

Description

The past six months have been nothing short of painful, with the S&P 500 nosediving into a bear market, while the Nasdaq 100 fell well over 30% from peak to trough. Speculative tech stocks, like those within certain innovation ETFs, shed more than 70% of their value. Undoubtedly, there was a brutal crash within speculative growth plays, thanks in part to higher interest rates and a cooling in the speculative appetite.

Indeed, there was too much euphoria in 2021. These days, the euphoria has dissipated, with cryptocurrencies and other high-risk assets now off more than 50% from their peak levels. Though it's hard to tell what comes next for markets, I think that investors should not overreact to the broadening out of the market pain or the economic damage that could be on the horizon.

Yes, a recession could hit in 2023. We've heard of rescinded job offers, hiring freezes, and layoffs. However, most of this activity has come from the tech sector. Indeed, 2022 has been akin to the tech bubble burst of 2000, perhaps with a bit of 1970s-style inflation thrown into the mix. If you stayed away from overvalued growth plays, you're probably within distance of recovering over the next few months or years.

Though tech may still have more room to the downside, I'd argue that most investors who stay the course will be looking back at 2022 as nothing more than an opportunity to buy. In 10 years from now, many of the fallen tech darlings may prove smart market-beating bets. And in this piece, we'll have a closer look at two growth plays that may be worth enduring a bit of short-term pain for a shot at sizeable longer-term gains.

Consider **Nuvei** ([TSX:NVEI](#))([NASDAQ:NVEI](#)).

Nuvei

Nuvei is a payments company that went public at a bad time, just months before the high-tech trade imploded on itself. These days, investors are souring on Nuvei and the broader fintech space. Payments are due to take a hit as the economy takes a few steps back. Still, Nuvei stock strikes me as

a bargain at just north of six times sales. While the 61.8 times earnings multiple implies shares are still expensive, I'd argue that long-term investors are getting a decent risk/reward tradeoff at this juncture.

The company recently had its credit rating upgraded to BB- from B+ due to low leverage and a somewhat stable forward-looking outlook. Indeed, the balance sheet is on steady footing, even as the firm continues to invest in fintech innovations.

Nuvei is teaming up with the North American gaming industry, a deal that could lead to next-level growth. Though NVEI stock will fluctuate based on broader market moves, I'd argue the \$6.3 billion could find itself worth a heck of a lot more 10 years from now.

How much more? Count me as unsurprised if Nuvei becomes a \$15 billion company 10 years from now.

Bottom line

The growth trade won't stay this sour forever. It could stay weak through 2023, as recession hits. However, those looking to invest for the next 10 years, rather than the next 10 months could have a lot to [gain](#) with NVEI shares at this crossroad.

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

2025/08/20

Date Created

2022/07/08

Author

joefrenette

default watermark

default watermark