



Buy the Dip: 3 TSX Stocks to Buy Today and Hold for the Next 3 Years

Description

For most of this year, the stock market has [trended downward](#). That has caused many investors to feel uneasy and become hesitant to add new money into their portfolios. However, I believe this has been an excellent time to buy shares. By accumulating shares during a period of depressed valuations, investors can take advantage of massive discounts to their favourite stocks.

In this article, I'll discuss three **TSX** stocks worth buying today. I believe investors should buy the dip in these companies and hold them for the next three years.

This e-commerce stock has a bright future

I believe that the e-commerce industry will be much larger in three years' time than it is today. With that said, I think investors could see a lot of growth from **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) over the same period. This company has grown from being a small tech startup in Ottawa to one of the largest enablers of the global e-commerce industry.

In April 2022, it was reported that nearly three million stores use Shopify as their e-commerce platform. In addition, [nearly a third](#) of American e-commerce websites rely on Shopify. This signifies the largest market share in the world's second-largest e-commerce market.

Shopify's growth has slowed down this year. That's to be expected, as larger companies tend to see a deceleration in growth rates. However, what's important to realize is that the company continues to grow, despite major headwinds affecting small- and medium-sized merchants. Over the past five years, Shopify's monthly recurring revenue has grown at a compound annual growth rate of 35%. I believe the company could continue to grow significantly over the next three years, and investors should take advantage of Shopify's low stock price today.

This could be a 10X stock

Over its first year on the public markets, **Nuvei** ([TSX:NVEI](#))([NASDAQ:NVEI](#)) was a major winner. It

gained nearly 300% over that period. However, things started to turn for the worst when the company was hit by a short report. The consensus from the financial space was that the short report was largely bogus. Unfortunately, the stock hasn't really had a chance to recover from the initial shock of the short report, despite many disagreeing with what was written. This largely comes from investment fears surrounding the rising interest rates.

Today, investors have the opportunity to buy shares of Nuvei at a discount of more than 70% from its all-time highs. I believe that Nuvei will remain a very attractive company for merchants because of its ability to accommodate various types of transactions onto a single platform. This includes in-store, mobile, online, and unattended payments. In Q1 2022, Nuvei saw a 42% year-over-year increase in its total volume. I believe Nuvei could continue to see a lot more traffic on its platform over the coming years, driving its stock upward.

Turn back the clock on a tremendous company

Many investors look at **Constellation Software** today and think, "if only I had gotten in when it was smaller." That comes with good reason. Had you invested \$10,000 soon after its IPO, you would be a millionaire today. Barring any major catastrophe in Constellation Software stock, it's very unlikely that you'll be able to get those kinds of returns today. Fortunately, you *could* invest in **Topicus.com** ([TSXV:TOI](#)). In my opinion, this is as close as investors will get to turning back the clock on Constellation Software.

Like Constellation Software, Topicus acquires vertical market software businesses. It differentiates itself by focusing on the highly fragmented European tech industry. However, investors need not to worry about competition between these two companies. Topicus was once a subsidiary of Constellation Software. Even though it operates on its own now, Constellation Software still provides it with guidance. Six members of Topicus's board of directors are executives from Constellation Software.

If Topicus can lean on this wealth of experience and develop its own winning strategy, it could avoid some of the major pitfalls that prevent companies from growing. Topicus is a very promising stock that offers investors an attractive discount today.

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. TSXV:TOI (Topicus.Com Inc.)

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