



Got \$1,000? Buy These 3 Top Growth Stocks

Description

Growth stocks tend to grow their financials higher than the industry average, thus delivering higher returns. Last month, growth stocks witnessed substantial selling amid concerns over rising interest rates, expensive valuation, and fears of recession. However, these stocks are shown some recovery this month due to their solid quarterly earnings and easing recession fears. So, amid improving investors' sentiments, the following three growth stocks provide attractive buying opportunities.

BlackBerry

BlackBerry ([TSX:BB](#))([NYSE:BB](#)) is my first pick, given its exposure to high-growth sectors, such as cybersecurity solutions and electric vehicles. With the digitization and adoption of the hybrid work model, the demand for cybersecurity solutions is rising. Fortune Business Insights projects the cybersecurity market to grow at a CAGR (compound annual growth rate) of 13.4% over the next eight years. Meanwhile, given its wide range of innovative product offerings, the company is well positioned to benefit from the expanding addressable market.

Further, the automation of vehicles has increased the usage of electronic components, such as advanced driver-assistance systems and digital cockpits, which is driving the demand for BlackBerry's products and services. Its IVY, a data integration platform, would standardize data generated from each component, thus allowing software developers to build products that are compatible with all brands. Given its growth potential, the company's management expects its revenue from the Internet of Things to grow at a CAGR of 20% over the next five years.

BlackBerry is trading at over a 41.5% discount from its 52-week high. So, given its discounted stock price and high-growth prospects, I am bullish on BlackBerry.

WELL Health Technologies

WELL Health Technologies ([TSX:WELL](#)) is another stock that has witnessed strong buying over the last few weeks, with its stock price rising by around 42% from its June lows. Despite the surge, it is still

down about 48% compared to its 52-week high. Its valuation also looks attractive, with its forward [price-to-earnings](#) multiple standing at 15.4.

Meanwhile, the digital healthcare company's growth potential looks healthy amid the rising adoption of telehealthcare services and growing penetration of internet services. Analysts are projecting the sector to grow at an impressive CAGR of over 30% through 2028. The company continues to deliver solid performances, with its revenue and adjusted EBITDA (earnings before interest, tax, depreciation, and amortization) growing at 127% and 122%, respectively.

After reporting its second-quarter earnings, WELL Health's management raised its revenue guidance for this year by \$25 million to \$550 million. The management expects its adjusted EBITDA to cross \$100 million while posting a positive adjusted net income for this year. So, I believe WELL Health would be an excellent buy at these levels.

Lightspeed Commerce

My final pick is **Lightspeed Commerce** ([TSX:LSPD](#))([NYSE:LSPD](#)), which has struggled to recover since Spruce Point Capital Management's short report in September. However, earlier this month, the company reported an impressive first-quarter performance for fiscal 2023. Supported by the strong performance from its Lightspeed Retail and Lightspeed Restaurant segments, the company's revenue grew by 50%. It added 3,000 net new customer locations during the quarter while increasing its monthly average revenue per user by 39%.

With only 12% of the company's customers currently adopting its payment offerings, Lightspeed Commerce has substantial scope for expansion. The management expects to increase the rate to 50% over the next four years, which could drive its cash flows to 20% of its top line. Further, when most of its peers are slashing their workforce, the company has announced to fill 300 jobs worldwide. Further, the company's management is confident of attaining adjusted EBITDA breakeven by March 31, 2024.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NYSE:BB (BlackBerry)
2. NYSE:LSPD (Lightspeed Commerce)
3. TSX:BB (BlackBerry)
4. TSX:LSPD (Lightspeed Commerce)
5. TSX:WELL (WELL Health Technologies Corp.)

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