



2 of the Top-Growing Stocks on Earth

Description

It's no secret that growth stocks have been some of the worst performers this year and, therefore, are some of the best stocks to buy on sale today.

And of all the growth stocks, [tech stocks](#), and particularly rapidly growing tech stocks, have seen some of the most significant selloffs.

Of course, some of that has to do with the fact that many of these stocks were trading at sky-high valuations before the market began to sell off.

However, many have lost so much value that they trade at unbelievable discounts today. And when you consider the growth potential that these stocks have over the coming years, they become even more compelling to buy.

So, let's look at two of the fastest-growing stocks on earth prior to 2022 and whether or not each is worth buying today.

One of the fastest-growing stocks in Canadian history

One of the best growth stocks of all time and one that many investors have looked at buying this year is **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)). From the time it went public in May of 2015 up until the start of 2022, Shopify earned investors a total return of more than 5,450%.

However, so far this year, Shopify has already lost more than 75% of its value. And although it has recovered slightly from the bottom, it's nowhere near where it was to start the year.

Part of this massive selloff is due to market conditions, and some of it is due to Shopify's shift in strategy, but it's also due to Shopify's slowing growth. However, while the stock's growth is slowing, it's still consistently expanding its business each quarter.

And over the last four quarters, Shopify's year-over-year growth in its revenue is still an impressive

29.8%, even after the pandemic tailwinds have faded.

Therefore, with the continued growth as well as the significant selloff, Shopify now trades at one of the most attractive valuations it's ever had at a time when Shopify is now much more established and has a dominant position in the e-commerce industry.

With the stock currently trading at an [enterprise value](#) (EV) to sales ratio of just 5.3 times, aside from earlier this year, this is the cheapest that Shopify has traded at since May of 2016.

So, if you're looking for high-potential growth stocks that you can buy for dirt cheap in this market environment, Shopify is certainly one of the very best to consider.

A top tech stock with considerable long-term growth potential

In addition to Shopify, another of the fastest-growing stocks on earth over the last few years has been **Lightspeed Commerce** ([TSX:LSPD](#))([NYSE:LSPD](#)).

Much like Shopify, Lightspeed was one of the top Canadian growth stocks up until recently. However, lately, it's been a different story. Lightspeed is down over 50% so far this year and more than 80% over the last 12 months. Despite this massive selloff, though, Lightspeed's growth has continued, even if it has been slowing down.

Still, over each of the last four quarters, the lowest its year-over-year growth in revenue was 50%. And in total, over the last four quarters, Lightspeed's revenue is up by over 100% — both impressive numbers.

After the stock has sold off so significantly, Lightspeed is now unbelievably cheap compared to where it used to trade. Its forward EV-to-sales ratio is just 2.2 times. Exactly one year ago, its EV-to-sales ratio was just under 30 times.

And even though Lightspeed was at its highs this time last year, if you look at the average EV-to-sales ratio that it's traded at since going public, that number is still roughly 15.6 times.

So, 2.2 times its sales is easily the lowest that it's ever traded at. Even during the initial market correction at the start of the pandemic, Lightspeed's forward EV-to-sales ratio only fell to 3.8 times.

Therefore, it's one of the cheapest growth stocks on the market today, making it one of the top stocks to buy now for long-term investors with higher risk tolerances.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:LSPD (Lightspeed Commerce)
4. TSX:SHOP (Shopify Inc.)

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Date

2025/07/20

Date Created

2022/09/07

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