



Down 54%, 1 Solid Canadian Growth Stock to Buy Now and Hold Forever

Description

As continued inflationary pressures and rising interest rates are making investors flee riskier assets, the uncertainty about a recovery in high-growth [tech stocks](#) continues. However, the economic condition at the moment might not be as bad as many bears claim to be, because the labour market and other key economic indicators like consumer confidence and manufacturing remain strong, despite temporary macroeconomic concerns.

Will Canadian growth stocks recover anytime soon?

That said, it's important to note that it's nearly impossible for anyone to predict when tech stocks will start rebounding. The recovery could start anytime this month or the next quarter or even may get delayed to the next year. Nonetheless, the recent correction has made several fundamentally strong [growth stocks](#) look really attractive to buy for the long term.

Given that, you should remain focused on adding quality stocks to your portfolio for the next decade or longer instead of worrying about temporary market corrections. Doing so could help you grow your wealth at a fast pace whenever the stock market recovery starts. Let me quickly highlight one of the best Canadian growth stocks to buy now, which has lost well more than 50% of its value so far in 2022.

Lightspeed stock

Lightspeed Commerce ([TSX:LSPD](#))([NYSE:LSPD](#)) is a Montréal-based software company with a market cap of about \$ 3.5 billion. Its stock has consistently been trading on a negative note for the last four quarters in a row. While it currently trades at \$23.29 per share with about 54% year-to-date losses, it has seen a massive 84.5% value erosion in the last year.

A massive crash in LSPD stock started in September last year when a New York-based short-seller, Spruce Point Capital, severely [criticized](#) Lightspeed and its management by making vague allegations in its report. While none of the allegations made by Spruce Point have been legally proven, they certainly did shake retail investors' confidence in Lightspeed, as its stock tanked by 58.2% in the fourth

quarter of 2021.

As high inflation raised the possibility of aggressive monetary policy measures in the near term in the first quarter of 2022, a tech sector-wide crash pressured this Canadian growth stock further, making it look highly [undervalued](#). Broadly, these are some of the key reasons why Lightspeed stock has tanked sharply in the last year.

But its growth story continues

Despite its seemingly disastrous stock performance in the last year, Lightspeed's sales continue to grow at a fast pace. After posting a solid 147% YoY (year-over-year) growth in its revenue in its fiscal year 2022 (ended in March), its sales growth stood at 50% YoY in the June quarter, despite industry-wide challenges due to continued supply chain disruptions and inflationary pressures.

Street analysts expect Lightspeed to continue registering strong double-digit YoY growth in its top line in the next couple of years, which could help it reach its sustainable profitability target much sooner than expected. Also, the demand for its omnichannel e-commerce platform remains strong. Given its strong [fundamentals](#), you may not want to buy this amazing high-growth stock right now when it looks undervalued, as it has the potential to yield outstanding returns in the long run.

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1. Investing
2. Tech Stocks

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