2 of the Best Canadian Growth Stocks to Invest $1,000 in Now

Description

The ongoing macroeconomic concerns are continuing to heighten the stock market volatility lately. Mainly, rising inflationary pressures and fears of a near-term recession have led to the market selloff in 2022, and high-growth stocks across sectors have been hit the hardest.

Nonetheless, long-term investors can look at the recent market selloff as an opportunity to buy some of the best Canadian growth stocks at a big bargain. While fundamentally strong growth stocks may remain highly volatile in the short term, they offer a great risk-to-reward scenario if you hold them for the long term.

In this article, I'll talk about two of the best growth stocks in Canada you can consider buying right now with as little investment as $1,000 to expect healthy returns on your investment in the next five or more years.

BlackBerry stock

BlackBerry (TSX:BB)(NYSE:BB) is a Waterloo-based tech company with a market cap of nearly $4.4 billion. Its stock currently trades at $7.63 per share with slightly more than 35% year-to-date losses. While BlackBerry primarily focuses on providing cybersecurity solutions to businesses and government organizations across the globe, the company has become increasingly focused on developing advanced artificial intelligence and machine learning-based technological solutions for the auto industry in recent years.

In the May quarter, BlackBerry reported a 6% YoY (year-over-year) rise in its cybersecurity segment revenue to US$113 million, as the demand for online security software solutions is growing positively after witnessing a surge during the COVID-19 pandemic phase. During the quarter, the company also registered a 19% YoY increase in its Internet of Things (IoT) segment revenue.

I expect the demand for BlackBerry's IoT solutions to accelerate further, as global auto production returns to normal in the coming quarters after witnessing obstacles due to the global supply chaincrisis. These factors should help its stock soar once the macroeconomic concerns start subsiding.

Lightspeed stock

Lightspeed Commerce (TSX:LSPD)(NYSE:LSPD) is another beaten-down growth stock in Canada to consider right now. This Montréal-based omnichannel commerce platform provider has a market cap of $3.6 billion, as its stock trades at $23.77 per share with 54% year-to-date losses.

While this growth stock has struggled in the last year, the company continues to maintain a strong sales growth trend. In the June quarter, Lightspeed's total revenue rose by 50% YoY to US$173.9 million with the help of the return of in-person shopping and dining globally amid easing pandemic-related restrictions. Now, the company expects its organic subscription and transaction-based revenue growth in the ongoing fiscal year to be in the range of 35% to 40% YoY.

Despite a challenging macroeconomic environment, Lightspeed's management is focused on diversifying its business model and expanding its global presence by increasing the number of customer locations. These efforts should help the company's financials grow at a faster pace than ever before in the coming years, I believe. This could be one of the reasons why Lightspeed's management remains confident that the tech firm should reach an adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization) breakeven level in the next fiscal year, which will end in March 2024.

Overall, given its strong fundamental outlook and continued strong top-line growth, despite the economic slowdown, I find Lightspeed stock worth considering at the moment.

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1. Investing
2. Stocks for Beginners

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2. NYSE:LSPD (Lightspeed Commerce)
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