



## 3 TSX Stocks I'd Buy Today and Hold Forever

### Description

The sharp correction in [top TSX stocks](#) (some Canadian stocks have lost more than 50% of their value from the peak) indicates that the market has already priced in the possibility of a slowdown in the economy. This suggests that the downside remains mostly capped, presenting a buying opportunity for investors with a long-term outlook.

Against this backdrop, I have shortlisted three TSX stocks (down more than 60% from their 52-week highs) that I'll buy today and hold forever to outperform the benchmark index by a wide margin. These stocks have solid fundamentals and businesses that can easily navigate the current challenges and recover swiftly as the economy improves.

### Shopify

**Shopify** ([TSX:SHOP](#)) is an obvious choice, given its stellar growth prospects. The stock has corrected about 84% from its 52-week high and is trading at a multi-year low, presenting an excellent buying opportunity. Though the normalization in e-commerce demand, macro headwinds, and adverse currency movements will hurt its near-term prospects, its long-term fundamentals remain strong, given the digital shift, its growing e-commerce capabilities, and entry into new geographies.

Shopify's revenues reflect a CAGR (compound annual growth rate) of 53% in the last three years. Meanwhile, the growth rate will likely improve as the company will benefit from its aggressive investments in the e-commerce platform. Further, it faces easier year-over-year comparisons, which should cushion its top-line growth.

The growing adoption of its POS (point of sale), Capital, and Markets offerings bode well for growth. Further, the expansion of existing products into new markets, strengthening of fulfillment, benefits from Deliverr acquisition, and partnerships with social media platforms will drive its merchant base. Shopify stock is trading cheap (trading at an enterprise value-to-sales multiple of 4.1, which is at a five-year low), which supports my bullish view.

## Nuvei

**Nuvei** ([TSX:NVEI](#)) is another high-quality [tech stock](#) I'll happily own at current levels and hold forever. Notably, the Nuvei stock is down about 78% from its 52-week high, while its valuation is at an all-time low.

The slowdown in e-commerce demand, weakness in the crypto space, and adverse currency movements weighed on its growth and stock price. However, Nuvei's management remains upbeat and expects to deliver over 30% growth in volumes and revenues in the medium term. It continues to bring new alternative payment methods to its platform and is acquiring customers fast, which bodes well for growth.

Also, its selective acquisitions, expansion in emerging markets, and entry into new verticals will likely support its growth.

## Docebo

**Docebo** ([TSX:DCBO](#)) stock has corrected about 64% from its 52-week high, which is unwarranted given the ongoing momentum in its business. Despite the concerns about its growth in a post-pandemic world, Docebo has consistently delivered stellar performances, which is reflected through its strong annual recurring revenue (ARR) growth, growing enterprise customer base, and increase in deal size.

Docebo's ARR has grown at a CAGR of 66% from 2016. Meanwhile, it increased by 48% during the last reported quarter. Further, Docebo's customer base increased to 3,106. Moreover, its average contract value has grown nearly four times since 2016.

Overall, its fundamentals remain strong, which will likely support its growth. Meanwhile, its large addressable market, high customer retention, and accretive acquisitions will accelerate its growth and drive its stock price higher.

### CATEGORY

1. Investing
2. Tech Stocks

### TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. NASDAQ:NVEI (Nuvei Corporation)
3. NYSE:SHOP (Shopify Inc.)
4. TSX:DCBO (Docebo Inc.)
5. TSX:NVEI (Nuvei Corporation)
6. TSX:SHOP (Shopify Inc.)

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