



Could This New IPO Be the Next Millionaire-Maker Stock?

Description

As a growth investor, one of my goals is to keep Canadians on top of [all the opportunities](#) to earn the best return for their investments. This past week was a wild one in terms of initial public offerings (IPO). South of the border, we saw **Snowflake**, a highly anticipated data warehouse company, shoot up 82% in its first day of trading. Other notable IPOs from the past week were **JFrog** (+47%) and **Unity Software** (+31%). Clearly, now is the time to go public, as companies are being heavily rewarded.

In Canada, we are seeing a similar story, albeit a bit more subdued compared to the American markets. We have seen **Dye & Durham** gain as much as 81% from its IPO price when it went public in July. On Thursday, we were treated to the beginning of the latest promising growth stock. **Nuvei** ([TSX:NVEI](#)) [broke the record](#) for largest IPO by a tech company, shattering even **Shopify's** performance on its first day of trading. So, what is this company, and should you care about it?

Meet the stock with millionaire maker potential

Nuvei provides online, mobile, in-store, and omnichannel payment processing services. According to its Chairman and CEO, Philip Fayer, the company "was built with the goal of connecting business owners with their customers, no matter where or how they do business." So far, Nuvei has executed in achieving its goal. To date, the company has a presence in 200 global markets, covering 150 currencies, and serving 50,000 customers.

In August, the company announced that it has received approval to process sports betting transactions in Indiana. Although this industry still faces many regulatory hurdles, if Nuvei is able to integrate this rapidly growing market, the company may become an even more interesting investment.

Should you invest in this company?

In its first day of trading, Nuvei stock gained more than 82% at one point. The success that the company has shown thus far, further supports my belief that companies that help society move to a more digital structure will become the leaders in the stock market. Companies such as Dye & Durham

(corporate services), **Docebo** (enterprise training), Shopify (e-commerce), and **Goodfood Market** (online groceries) have all seen incredible growth this year.

Is the stock a buy at this point? It may be wise to stay on the sidelines for the time being. It is not uncommon for companies to run up immediately after their IPO, only to be followed by a significant decline. In the United States, this trend was seen in **Bigcommerce** and **Lemonade**. The two companies have fallen 54% and 43% from their post-IPO highs, respectively.

Nuvei is certainly an exciting company that can become one of the largest companies in the world. The company is also backed by large financial institutions such as Novacap and Caisse de dépôt et placement du Québec. However, it is unclear just how accurately priced the company may be at the moment. Investors are as exuberant as ever. If corporate earnings fail to impress in the coming quarter, we could see a significant decline across the market.

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2. Tech Stocks

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TICKERS GLOBAL

1. TSX:NVEI (Nuvei Corporation)

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