



3 Great Canadian Tech Companies With Huge Potential

Description

Most investors don't realize that many of the great tech companies on the market are not Silicon Valley startups, but homegrown Canadian tech giants.

Here's a look at some of those companies and why they should be part of your portfolio.

Take a gamble on Amaya

Amaya Inc. ([TSX:AYA](#))(NASDAQ:AYA) is a software entertainment company that caters to the online gambling segment of the economy.

Amaya has had a difficult time over the past year, with the stock weighed down by several events that really had no direct impact on the performance of the company.

Between the ousting of former CEO David Baazov over allegations of insider trading, to a Kentucky court finding Amaya liable for \$870 million in damages, to the looming possibilities of a merger or taking the company private, Amaya had more than its share of controversy.

Why should investors consider Amaya? All the events I just mentioned had nothing to do with the performance of the company, which remains stellar. Even better, those events weighed down the stock price, letting investors buy into Amaya at a discount.

But perhaps one of the main reasons that investors should consider Amaya is because of the growing market for online gambling games. Online gambling has only been legalized in a handful of jurisdictions, and Amaya has sought the necessary regulatory approvals to operate in countless others. As more markets open to online gambling and the games that Amaya offers, the more revenue the company will realize.

Amaya currently trades at \$24 with a P/E of 25.92.

Sierra Wireless is the IoT stock to own

Sierra Wireless Inc. ([TSX:SW](#))([NASDAQ:SWIR](#)) is a manufacturer of the embedded modules and components that are necessary to usher in an IoT-enabled world. The IoT is the concept that devices are interconnected to each other and the internet feeding information to us and other devices.

Experts predict that there could be as many as 15 billion of these things connected to the internet over the next four years, with a complete market size of 50 billion things being realized over a decade or more. That lucrative multi-billion market is the opportunity that long-time investors have seen in Sierra for well over two years.

While Sierra has underperformed over much of that time, the company has transitioned to becoming an IoT pure-play and a series of lucrative deals in the automotive sector. Automotive manufacturers are increasingly adding more connectivity options to vehicles, and are turning to Sierra to provide the embedded systems and modems for those vehicles to connect to the internet.

Sierra currently trades at \$33.84, up over 65% this year, with a P/E of 54.79.

Meet the new Blackberry

Most investors still view **BlackBerry Ltd.** ([TSX:BB](#))([NASDAQ:BBRY](#)) as a manufacturer of iconic smartphones with small physical keyboards. That may be the case for the BlackBerry of the past, but the new BlackBerry that has emerged under CEO John Chen is a far cry of the former company.

BlackBerry has placed a focus on the enterprise market, as well as software and security services in lieu of making small keyboard devices that in all honesty, the market has moved on from. That's not to say there aren't new BlackBerry devices to purchase; BlackBerry branded smartphones running Android are still being brought to market thanks to licensing agreements that BlackBerry put in place with partner companies. Those deals provide royalties to BlackBerry, and in turn, allows the company to focus on the next area of innovation – the automotive market.

Most people don't realize that when they interact with their vehicle infotainment system, they are using a BlackBerry. QNX, the secure and scalable operating system that was behind BlackBerry's proprietary mobile operating system is also used in upwards of 50 million vehicles worldwide. BlackBerry has been pouring resources into this growing sector for some time and has even forged agreements with major automotive manufacturers to work directly with them on developing infotainment systems, rather than serving as a vendor that bolts on software after manufacturing.

BlackBerry was also the recent recipient of a massive arbitration award of US\$815 million from **Qualcomm Inc.** over a royalty dispute. That infusion will only help accelerate the company's plans to complete the turnaround from a hardware to software heavyweight.

BlackBerry currently trades at just over \$12.

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3. NYSE:BB (BlackBerry)
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