



3 TSX Tech Stocks to Buy Right Now

Description

It's an exciting time to invest in TSX tech stocks. After years of lagging behind the U.S. in tech, Canada now has a bonafide IT superstar in the form of **Shopify Inc** ([TSX:SHOP](#))([NYSE:SHOP](#)), while many other low-profile TSX tech stocks have been quietly making investors rich.

So far this year, publicly traded TSX tech stocks are up 37%, based on the performance of index funds that track them, which means that TSX tech has handily outperformed not only the TSX itself, but also the NYSE and NASDAQ.

Investing in a TSX tech ETF is one way to profit off the growth of the Canadian tech sector. But if you want to be a little more adventurous, the following are three TSX tech stocks that could reward you handsomely.

Shopify

Shopify has been by far the best-performing TSX tech stock this year, rising 89% to the TSX's 14%. This kind of outperformance is typical for the company, which has beaten the benchmark every year since its 2015 IPO.

In its most recent quarter, Shopify revealed that it had [grown revenue by 50%](#) and increased its merchant solutions revenue by 58% year-over-year. At the same time, the company posted growing adjusted EPS, while GAAP EPS remained negative. Shopify's growth isn't quite as hot as it has been in past years, but it's still the king of the castle among TSX tech stocks.

OpenText Corp ([TSX:OTEX](#))([NASDAQ:OTEX](#))

OpenText Corp is a diversified tech company that sells a variety of enterprise software solutions. The company's software helps companies digitize processes and supply chains through AI. In its most recent quarter, OpenText grew its revenue by 5% and its operating cash flow by 6%.

Those growth numbers may not be all that inspiring, but this is a company whose growth is steady and dependable. It should also be noted that OpenText increased its dividend by 15% in its most recent quarter.

Kinaxis Inc ([TSX:KXS](#))

Kinaxis is a supply chain management company that develops AI-powered solutions that help companies respond to supply chain issues faster. The company's RapidResponse platform builds on SAP architecture to make supply chain insights more actionable and manageable.

There appears to be a large and growing market for Kinaxis' services, as it [grew its revenue by 15%](#) to \$39 million in its most recent quarter. Other notable growth figures include an 18% jump in subscription revenue and a 9% jump in gross profit.

Unfortunately, the company's net income and adjusted EBITDA did in fact decline during the quarter, but this was partially influenced by the company adopting new standards.

The fact that Kinaxis is growing revenue at 15% year-over-year shows that it has the potential to grow its earnings as well, assuming costs can be kept under control. As to whether that will happen, we'll have to wait for the company's Q1 2019 report to find out.

CATEGORY

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TICKERS GLOBAL

1. NASDAQ:OTEX (Open Text Corporation)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:KXS (Kinaxis Inc.)
4. TSX:OTEX (Open Text Corporation)
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