



3 Tech Stocks Trading at 52-Week Highs to Buy Right Now

Description

We've witnessed positive price growth momentum for months on some of Canada's most promising tech stocks. The market is elevating these companies' valuation multiples and investors are willing to pay more per each dollar of future earnings while banking on these firms to deliver better growth, generate higher profits and produce better cash flows in the future.

Here are three of the most-loved tech names that you may want to add one or more to your growing portfolio.

OpenText Corp

OpenText Corporation ([TSX:OTEX](#))([NASDAQ:OTEX](#)) share price is hitting new 52-week highs and recording new all-time highs this year as bullish investors pile onto the steadily growing leader in enterprise information management.

The company's [2018 performance was plausible](#), and it has so far reported a 76% growth in cash flow from operations since the beginning of 2018. Likewise, free cash flow generation has been stellar as seen through a 103% growth reported since January last year. Cash is the lifeblood of any organization, and this firm has found a formula to grow plenty of it, thus enabling it to internally fund new growth plans.

Most recently, the company reported another big customer win in Brazil during the first week of July. TIM S/A, one of the South American country's leading telecom operator, with over 18 million post-paid customers, deployed OpenText's Customer Experience Management solutions suite while migrating to an e-invoicing system.

TIM's customers have already fallen in love with the product as the telecom giant reported an over 50% increase in the adoption of digital invoicing by its clients year over year, and I have reason to believe that the new client will be a long-term loyal customer. It's already realizing significant increases in invoice payment rates after the OpenText solution deployment.

The company has been churning out further good news during the week after announcing a strong partnership with Google during the Enterprise World Toronto event on Tuesday, July 9, 2019 and reporting another key partnership with **Mastercard** during the week — one that promises to transform global financial processes.

Evertz Technologies

Evertz Technologies Ltd. ([TSX:ET](#)) is a designer and manufacturer of video and audio electronic systems infrastructure for the broadcast and film media industry. The business has been gathering strong growth momentum lately — as witnessed through the record revenue and earnings reported in the two most recent quarterly results.

The company reports increasing demand for its solutions from content creators, broadcasters and specialty channels and television service providers as well as telecom operators; it recently consolidated its offering package after acquiring signal management solutions leader Quintech late last year.

Gross margins improved last year and net earnings grew 47% for the fiscal year ended in April just as fourth-quarter diluted earnings increased 118% year over year.

Shares are trading at 52-week highs after hitting \$18.94 on Thursday, and the 3.8% dividend yield could be a nice income bonus.

Real Matters

Real Matters Inc. ([TSX:REAL](#)) provides a robust network platform linking thousands of field professionals and leading mortgage lenders and insurance providers in the North America.

Revenues have been marginally going down recently as U.S. mortgage originations slowed down, the bottom line suffered and the share price got punished to an agonizing low of \$2.95 in November 2018. The company has been consolidating market share during the period and could benefit from increased business volumes should the U.S. Federal Reserve start cutting back interest rates as expected this year.

Shares currently trade near a new 52-week high of \$8.02 during the week, but valuation remains severely subdued as compared to near \$13 a share soon after the company's May 2017 initial public offering.

Management believes that the stock is undervalued, and it intends to buy back up to 8% of the company's public float until June next year after renewing a perfectly timed 2018 share buy-back program, which saw the company buy 4,076,406 shares at an average price of \$4.90 apiece in a previous NCIB that expired last month.

The company is expected to release earnings on July 31, and it may be rewarding to watch closely as management promised to focus on operational performance and scale to drive market share growth.

The share price growth momentum could continue if positive progress is reported.

CATEGORY

1. Dividend Stocks
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:OTEX (Open Text Corporation)
2. TSX:ET (Evertz Technologies Limited)
3. TSX:OTEX (Open Text Corporation)

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