



This Tech Stock Is a Better Buy Than Shopify (TSX:SHOP)

Description

The top-performing stock on the TSX and undeniably the best tech stock is **Shopify**. This cloud-based multi-channel commerce platform also ranks second on the TSX 30 with a three-year return of +883%. Shopify, however, is at its peak and has probably little room for growth.

But there's a growth stock that's flying under the radar. Calgary-based **Sylogist** (TSXV:SYZ) is a software company that's showing healthy revenue and EPS. This tech stock is 39 times cheaper and pays a decent 3.38% dividend.

Affordable tech stock

Sylogist trades on the TSX Venture Exchange, but if it weren't, the stock could earn a Dividend Aristocrat status. The company has the distinction of being the only stock on the TSXV that has a track record of eight consecutive dividend increases.

This \$250 million firm provides Enterprise Resource Planning (ERP) solutions that include fund accounting, grant management, and payroll to public service organizations. ERP is also available to the private sector. Its iResource Planning solutions help organizations manage intellectual property.

Sylogist derives maximum revenue from subscription maintenance. Mainly, the company provides services to improve business processes, quality, and systems control. Currently, its geographical reach is in the U.S. and the U.K.

The company's customer base stands at 1,000 today, and further client diversification could exponentially increase the number worldwide. Since data management is crucial data to local and national government departments, the demand for Sylogist's services is likely to increase 10-fold.

Earning potential

The [sterling performance](#) of Shopify is difficult to duplicate. Early investors became obscenely wealthy

since its IPO on May 21, 2015. The IPO price was \$17, and as of this writing, SHOP is trading at \$414.16, or 2,336% higher. Prospective investors will find the price too expensive.

The Canadian e-commerce platform for small- and medium-sized merchants continues to make a splash. However, it is highly unlikely to deliver phenomenal returns like before. You might have to wait for a deep correction to time your investment.

Sylogist might not bring over-the-top returns like Shopify, but as a less-expensive tech stock alternative, your total return could be higher than the market average. Dividend-growth rates for the past five and 10 years have been impressive. Management gave out special dividends a few times already.

Net income has been steadily increasing in the last three years. There's a growing demand for Sylogist's comprehensive, mission-critical ERP solutions and hardware products. But above all, the company is chosen for its expertise and proven track record of delivering integrated products and exceptional services.

Expect international non-governmental organizations (NGO) and non-profit organizations (NPO) as well as manufacturing and warehousing/distribution companies to be additions to its growing list of clients.

The next tech stock winner

Over half a decade, Sylogist has been able to reward long-term shareholders with a 3.4% gain year. The stock is down 13.51% year to date, and \$10.56 should be a good entry point. Analysts see Sylogist outperforming and gaining 56.25% in the next 12 months.

With no debt load to carry, Sylogist's fundamentals will improve moving forward. You can expect [long-term sustainable growth](#) from this tech company, which has the makings of a winning stock.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. TSX:SYZ (Sylogist Ltd.)

PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

Category

1. Investing
2. Tech Stocks

Date

2025/08/24

Date Created

2019/10/04

Author

cliew

default watermark

default watermark