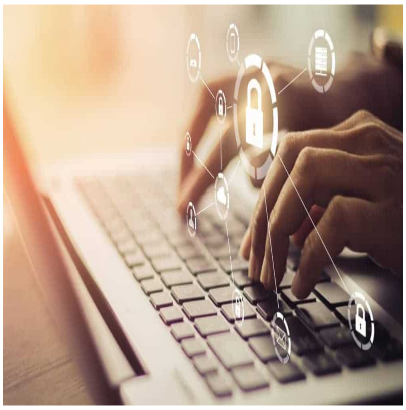

Top Tech Stocks to Watch This Winter

Description

It's going to be an interesting final quarter for tech stocks, to say the least, with politics and social media currently running hand-in-hand through the stock markets. Meanwhile, as the home entertainment industry continues to heat up, some of the biggest names in the tech industry continue to jostle for market share.

Broken FAANGs and lost momentum

As growth investors may already be well aware, tech stocks have been getting something of a shake-up over on the NASDAQ, so much so that Jim Cramer has been calling for a new acronym to replace the FAANGs, a popular stock group made up of a handful of top-performing online businesses.

Except that they're not all top-performing anymore. A new acronym such as FAAMA may better fit the bill, with **Microsoft** jumping in and **Netflix** getting the boot.

Indeed, some investors have already decided that the content streaming platform has lost its momentum, never to return. **Google**, meanwhile, would get swapped out for its parent company, **Alphabet**.

Does the TSX offer high-quality alternatives?

While not a tech stock in itself, **BCE** offers Canadian investors access to our own Netflix-alike streaming platform, Crave. The Bell Media parent is expanding its reach in multiple fronts, pushing deeper into Francophone territory with key acquisition moves over the summer, and was also voted the country's fastest ISP earlier in the year.

Open Text (TSX:OTEX)(NASDAQ:OTEX) on the other hand, is one of the big success stories of Canadian tech, and its share price has climbed steadily over the past five years.

A positive Q4 at the start of August coincided with a plunge in share price, however, putting Open Text back to prices last witnessed in April. Nevertheless, Open Text is a play for its growth-by-acquisitions strategy and upward-trending share price.

The stock is far from done yet, however, and offers exposure for new tech investors seeking upside in the Canadian software space. With a target price of $61, Open Text has around 20% upside left to squeeze, while going forward, the company is reinvesting in AI and positioning itself to grab more market share with a focused M&A strategy.

Canadian tech stocks hold potential for growth investors

No discussion of Canadian tech would be complete without mention of **Shopify**, a stock that's been ratcheted up a staggering 883% growth in share price in the last three years, earning it second place on the recently debuted **TSX 30**. The cutting-edge online retail platform boasts in excess of 800,000 online stores that draw around $100 billion in sales.

Another member of the TSX 30, **Constellation Software**, should also get a mention here as a home-grown tech stock with solid returns.

While it hasn't matched Shopify's meteoric appreciation, Constellation Software's 158% three-year rise in share price marks it as a growth stock worthy of a second look. The company's customizable software applications serve a market of more than 100 countries worldwide.

The bottom line

Open Text is a good example of a Canadian tech stock with room left to run and the potential for strong upward momentum.

While the TSX doesn't quite compare with tech-laden stock exchanges such as the NASDAQ, there is certainly upside to be harvested from domestic assets in this space.

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