



Is There a New Rising Star in Canadian Tech Companies for 2020?

Description

Looking for the next hot Canadian stock? Trying to find the next “unicorn” in the world of startup investment opportunities is never easy.

Stumbling across the next **Uber** is a one-in-a-million kind of shot, especially for the startup and tech community in Canada. The last real superstar unicorn to come out of Canada was **Shopify**, and it has seen almost unbelievable growth since its IPO on May 21, 2015.

The same Shopify shares that initially traded for \$34.94 almost five years ago today are worth \$615.88 each today, and \$10,000 invested in Shopify would be worth \$176,267 today.

As you can see, finding the right “unicorn” in the world of tech startups can transform your financial future almost overnight.

Lightspeed POS ([TSX:LSPD](#)) has all the makings of becoming Canada’s biggest unicorn since Shopify. Here are a couple of reasons why you might want to add this Canadian tech company to your portfolio.

Red-hot IPO

Just like Shopify, Lightspeed saw incredible growth in its stock value straightaway.

The initial IPO launched in March 2019, with a total share value of \$16 per share. Today, those shares are currently trading on the TSX for just about \$45.60 — representing growth of over 160% in fewer than 12 months.

This valuation is bolstered by the fact that Lightspeed has seen a widespread adaptation of its point-of-sale and e-commerce tools over the last year or so, with more than 57,000 customers taking advantage of its services and solutions across 100 different nations worldwide.

On top of that, the company has also seen a [considerable bump in revenue](#) as well as overall profit.

Industry analysts believe that Lightspeed is going to see its revenue numbers jump by more than 50% by the time 2020 comes to a close and then another 50% by the end of 2021.

Combine that with the fact that Lightspeed, according to its financial details, has been able to increase profit margins significantly, even though they will still be negative. The same industry experts believe that by the time 2020 closes, Lightspeed will have its earnings per share pegged at -\$0.41 compared to its current -\$5.53 valuation right now.

The POS and e-commerce sector continue to grow

Another reason to be very bullish about the future of Lightspeed is that it sits in a prime position to capitalize on opportunities in an industry that is growing like crazy.

More and more small businesses are turning to [POS and e-commerce tools](#) every day, not only in Canada and the United States but globally. Lightspeed is positioned as a premier option in this industry, offering affordable hardware and service solutions that allow customers to take advantage of “all-in-one” options that are easy to use and affordable to deploy.

When you factor in that e-commerce sales alone are expected to account for nearly 20% of all retail sales worldwide and that there are going to be 2.05 billion digital customers around the world by the time 2020 concludes, it's easy to see why expectations for Lightspeed are as high as the company is right now.

Combine that with its already impressive track record and the exponential growth LSPD already enjoyed, this is one of the Canadian tech startup companies you'll want to add to your portfolio ASAP.

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