



Fearless Forecast: 2 Tech Stocks Could Climb to the Top in 2020

Description

All eyes are on the **Toronto Stock Exchange** (TSX) now that market strategists are painting a rosy picture. The index might set new records in 2020. Their crystal balls are saying the [financial stocks](#) will do better, but the leaders will come from the technology sector.

The fearless forecast is that [technology developments](#) will continue, and the sector is unlikely to experience a slump. If the predictions should come true, then you must keep a close watch on **Real Matters** ([TSX:REAL](#)) and **Lightspeed** ([TSX:LSPD](#)).

Hottest stock in 2019

Real Matters might do a repeat performance in 2020 after a stunning showing last year. This \$1.12 billion network management company was the best-performing tech stock. From \$3.30 on December 31, 2018, Real Matters finished 2019 at \$12.32 or a jump of 273.33%.

The question today is whether this company that provides network services for the mortgage and insurance industries can maintain the same pace of growth. Last year, it beat the top and bottom-line estimates in all quarters. As a result of the exponential gain, Real's market cap ballooned to \$1 billion.

Over the next five years, the annual growth estimate is 56.8%. With the high rate, REAL should count as among the TSX's best growth stocks.

Investors are eagerly awaiting the company's Q1 fiscal 2020 financial results on January 30, 2019. If Real reports another impressive quarterly result, the uptrend should continue.

Homerun

Lightspeed was the largest tech IPO in nine years when it went public on March 8, 2019. As investors were starving for tech stocks, the company was able to \$179 million on its market debut. From \$18.90 closing price on opening day, Lightspeed finished 2019 at \$36.07 or 90.85% higher.

Next to Shopify, this \$3.84 billion tech firm that specializes in point of sale (POS) cloud solutions with the highest expected growth rates in the technology sector.

The patrons or users of the POS cloud solutions are small businesses that are predominantly restaurants. With many potential clients for tapping, there's plenty of room for growth.

This year, the growth estimate is 92.6%, although analysts covering the stock expect earnings to grow by an average of 75% over the next few years. Lightspeed is aggressively pursuing growth through acquisitions. Management believes the strategy should drive growth.

At present, Lightspeed is cash-rich with no considerable debt, and has yet to draw from its available credit line. More and more small and medium-sized businesses in over 100 countries are using the company's cloud-based commerce platform. Its all-in-one solution is helping restaurants and retailers to grow or expand the business.

The next quarterly earnings report on February 6, 2020, is also highly anticipated.

Strong growth potentials

The lives of people are changing with the many technological advances. Real Matters facilitate transactions in the mortgage and insurance industry while Lightspeed assists businesses worldwide to operate smoothly.

Also, tech stocks in Canada are few but companies with massive growth potentials are in the tech sector. You can choose either stock. Any of the two could ultimately be the best performer in 2020.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. TSX:LSPD (Lightspeed Commerce)
2. TSX:REAL (Real Matters Inc.)

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