



## 2 Tech Stocks Buys for a Market Rebound

### Description

It's one of the first sectors to be hit by any sort of market downturn. Tech stocks are a luxury in most investors' portfolios, and the first investors will look for when it comes to finding a deal during a market rebound. But tech stocks can be risky, making it hard to decide which one to buy, and — arguably more importantly — when.

But this is why Warren Buffett's famous quote has been tossed around from article to article lately: "Be fearful when others are greedy and greedy when others are fearful."

So, is now the time to be greedy or fearful about tech stocks? Here are two options that won't give you nightmares.

### Shopify: The king tech stock

Analysts keep beating up **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)), and this tech stock just keeps proving them all wrong. Even during this market crash, Shopify never went below \$400 per share. That's far and away from what analysts believed the stock would fall to, around \$250 per share.

In fact, now some analysts have to admit that this market rebound could be the last time you get a [chance to buy up](#) Shopify in bulk. After hitting around \$450 per share, the stock came roaring back well, trading at writing at \$631.97 per share — an increase of 40% in less than a week. Other tech stocks just can't compare.

The company's strong growth is expected to keep strong, as the company continues to add on features that both merchants and consumers can enjoy. As merchant growth continues, the company solidifies long-term contracts that will keep bringing in cash, and allow for further expansion. While the company is highly likely to fall short of its \$2 billion of revenue of 2020 given this market crash, there's also the chance it will bring on more clients looking to get online, as COVID-19 sweeps the world. So, again, now could be the best time to buy before another boom.

## Lightspeed: The up and comer

A tech stock that might have a bit more trouble getting back on track is **Lightspeed POS** ([TSX:LSPD](#)). When it does, investors could see a huge boost in share price during this market rebound. The company trades at writing at \$23.75 per share — a discount of 55%!

The company is likely to see a similar trajectory as tech stocks like Shopify, as Lightspeed is in the same lucrative space of point-of-sale systems. While the company is still focused on small and medium businesses, specifically in the space of retail and restaurants, that means Lightspeed has a huge space to grow. Investors can then hitch a ride to the company's strong [revenue growth](#), as the company continues to pump out positive results. Most recently, February results showed revenue growth of 61% year over year.

These results are likely to get hit by the COVID-19 outbreak, as restaurants around the world are closed for business. But after the market rebounds, Lightspeed is likely to continue soaring ahead. That makes today's valuation a definite bargain.

## Bottom line

If you put \$5,000 towards each of these tech stocks today, expecting Shopify to continue its trajectory, and for Lightspeed to just get to fair value, you're looking at huge gains. For Shopify, that could turn into \$6,576, and for Lightspeed it could be \$7,736 by the end of the year. That's an increase of \$4,312!

### CATEGORY

1. Coronavirus
2. Investing
3. Tech Stocks

### TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:LSPD (Lightspeed Commerce)
3. TSX:SHOP (Shopify Inc.)

### PARTNER-FEEDS

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

### Category

1. Coronavirus
2. Investing

### 3. Tech Stocks

**Date**

2025/07/04

**Date Created**

2020/03/29

**Author**

alegategolfe

default watermark

default watermark