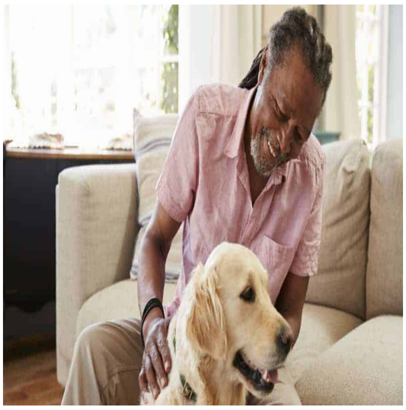

Forget the Bear Market: Here Are 2 Tech Stocks for a Lush Retirement

Description

While market pundits are seeing bear markets intensifying this year, there is a countless number of analysts that are expecting a stronger recovery. The coronavirus market crash has severely bruised many **TSX** stocks in the last few months. However, there are some stocks that stood strong in this epic bear market and continued their growth journey.

I agree that growth stocks could be risky in such uncertain times. However, one can invest some part of an investable surplus into these stocks to give the aggressive tilt to your portfolio.

Growth stocks could take a much shorter time to build a healthy retirement corpus as compared to defensive stocks. Also, if given a reasonable time for compounding, this calculated risk could very well pay off over the years.

Real Matters

Shares of **Real Matters** (TSX:REAL) soared approximately 250% last year. This year has been no different so far and has seen a surge of more than 30%. While TSX stocks at large have fallen by more than 30%, Real Matters' surge is indeed notable.

Real Matters is a $1.4 billion company that provides technology and network management services to the mortgage lending industry in North America. It offers title and closing services as well as insurance inspections.

Real Matters creates a competitive marketplace for appraisers, real estate agents, notaries, and other title closing agents through its technology-based platform.

The company has been reporting rapid revenue and earnings growth for the last few quarters. Its net income increased to USD$9 million for the first quarter of the fiscal year 2020 from USD$1.8 million in the year-ago period. Analysts expect Real Matters' strong earnings growth to continue throughout the fiscal year 2020.

The company expects an annual market size of USD$13 billion for such services, implying huge growth potential for Real Matters. Being a leader in the niche industry, Real Matters could continue to exhibit solid revenue and earnings growth in the next few years.

Kinaxis

Shares of Canadian tech company **Kinaxis** (TSX:KXS) also seem immune to the coronavirus bear market. It is currently trading at its all-time high and has soared around 15% so far this year.

The stock was trading below $20 at the start of 2015 and now it has crossed $120 levels — a massive 43% average annual total return over a period of five years.

Kinaxis is a $3.2 billion cloud-based service-as-a-software (SaaS) company that provides supply chain solutions. Its subscription model facilitates revenue visibility, a big positive for investors. Its strong liquidity position and little debt underline robust financial health.

Kinaxis's earnings could take a dent, however, as the global supply chain has come to a standstill amid the pandemic. However, there could be pent-up demand once the virus outbreak subsides and lockdowns are released.

The stock is an interesting investment proposition for long term investors mainly due to its strong growth prospects and solid fundamentals.

Investors should note that both the above stocks are trading at a significant premium at the moment. These stocks could witness above-average volatility and thus would be prudent for investors with above-average risk appetites.

However, higher risk generally delivers higher returns.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. TSX:KXS (Kinaxis Inc.)
2. TSX:REAL (Real Matters Inc.)

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