



2 Great Canadian Tech Stocks That Defied the Market Crash

Description

Despite the selloff, there is still room for growth in the markets. Today, we will take a look at names that are defying the bear market and offering potential upside.

The best tech stock on the TSX?

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) has defied the market crash and seen high year-on-year growth. The stock was an early low-exposure play for legal cannabis. The tech stock basked in the limelight, as the new sector lit up a couple of years ago, and it continues to be [a play for marijuana upside](#). The pandemic also saw Shopify back in the spotlight, as its e-commerce business model appealed to the quarantine generation.

Shopify's chief operating officer Harley Finkelstein has said that the company's cannabis involvement was initially Canada-centric for a reason: clarity in legalization. Kylie Jenner and Drake have since brought pop culture awareness to the Shopify brand. Corporate-savvy cannabis names have likewise added to the online sales boom.

As Finkelstein told Jim Cramer last year: "Whether it's the province of Ontario, or British Columbia, or most of the largest licensed producers like Canopy in Canada, Shopify is what's powering those retail sales and we think that we can do a great job helping other countries and other regions do the same thing."

Up 191% since this time last year, Shopify is a strong play for high returns. The tech stock has rallied 17% this week. Consider that this is the same week that [started off with negative oil](#), and you have a powerfully resilient addition to the long-range segment of your tech stock portfolio.

Aim for diversification when you go long

Constellation Software is a rare business that is both strongly diversified and highly specialized. Its model is largely focused on vertical market software. This gives it industry-specific dependability, since

software developed under the Constellation umbrella is not broadly applicable.

The company's main segments are varied across sectors, such as real estate and healthcare, and derive stability from their focus. As such, Constellation is one of the most secure growth stocks on the TSX. While it hasn't seen anywhere near the same rocketing share price appreciation as Shopify, Constellation is another tech stock to consider snapping up for long-term growth.

Tech stocks are probably the biggest source of momentum in the new decade, with healthcare likely a close second. The green economy is going to drive a lot of growth for tech names, with electric vehicles and new alternative fuel driving new technical advancements. With pharma, vaccine research and development is likely to be a huge source of capital in the coming years, as governments wake up to the threat of future pandemics.

Indeed, **Tesla** is probably the only automobile stock worth holding right now for this reason. Even when the world comes out from lockdown, people who have switched to working from home will likely remain doing so. In short, hydrocarbons are dead. There may still be upside in electric vehicles (EVs), though. And what better opportunity than a total oil crash for the EVs to finally take over?

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