



Buy This Tech Stock During the Market Rally

Description

The coronavirus pandemic sent global markets into freefall, but the recent market rally has pushed stock prices higher yet again. There aren't as many bargain as a few weeks ago, but some high-growth stocks are still trading at ridiculous [valuations](#).

One Canadian tech stock is a clear buying opportunity. This stock has delivered 10,000% returns to long-term shareholders. The company is now worth nearly \$30 billion, but it's not difficult to see shares *tripling* in value over the next several years.

The market rally is [underway](#). Don't miss out on limited-time buying opportunities like this.

This is the stock

Constellation Software Inc ([TSX:CSU](#)) is a special stock. If you haven't heard of it, pay close attention. This could be your top stock purchase during the market rally.

What exactly does the company do? It owns a wide portfolio of software products. The portfolio targets nearly every industry, including retail, energy, healthcare, manufacturing, and much more. Its software isn't used by the general public. Instead, it helps businesses automate mission-critical processes. That last part of where the magic lies.

During a market rally, businesses look to reinvest earnings into new technology initiatives that will save time and money over the long term, resulting in more demand for Constellation's products.

But what happens when the economy experiences a downturn? Yet again, Constellation wins.

When profits are falling, businesses look to cut costs at every turn. Because its portfolio is dominated by automation products, Constellation often sees a bump in demand as customers look to replace workers with software.

This really is a win-win situation for the company. No matter where the economy goes, Constellation

can profit. Its share price is testament to that strength. It *rarely* goes on sale, even during a recession.

The market rally is here

As mentioned, Constellation's business is barely impacted by economic swings, but its stock price can be pressured over the short term. These small dips have always been buying opportunities. They exist not because profits will fall, but because the majority of the market is ignorant that this is a *recession-proof* business.

There's a reason why most investors haven't heard of Constellation: It purposefully tries to keep itself under the radar because its business relies on acquisitions. The more news you have coming out, the more likely another bidder will come along and provide price competition. Keeping quiet is especially important during a market rally.

An acquisition-based approach to growing its product portfolio is yet another reason why Constellation comes out of any recession *stronger* than before. Private companies often see a greater reduction in their value during a bear market than do their publicly-traded equivalents. This is known as the private company discount.

There's no doubt that Constellation is going bargain hunting right now. It could secure deals that will drive earnings growth for years to come. Yet Constellation stock trades at the same price as it did back in October of 2019.

The last time shares experienced a plateau like this was in 2018. Within weeks, the stock price rocketed to new highs, delivering rapid returns of more than 50%.

There are few **TSX** stocks more proven than Constellation. Despite the recent market rally, shares still look like a clear buy.

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1. Investing
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Date

2025/08/16

Date Created

2020/04/27

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