



If the Market Crashes Again in 2020, Go BIG on These 2 Stocks

Description

Investors are talking about another market crash in the works. You can't avoid worrying, because [signs](#) are pointing in that direction. The TSX is barely recovering from the severe selloff in March. Many stocks in hard-hit sectors will fall into the abyss, but new [growth stocks](#) will emerge for discerning investors.

Software companies **Open Text** ([TSX:OTEX](#))([NASDAQ:OTEX](#)) and **Kinaxis** ([TSX:KXS](#)) are well positioned for massive growth. If you have the money and appetite to invest, you'd better take a position soon. The COVID-19 pandemic is propelling both companies to greater heights.

Up in the clouds

Cloud computing, a high-growth business, is the domain of Open Text. The growth profile of this \$15.49 billion company is expanding non-stop through a series of meaningful acquisitions. The new strategic collaboration agreement with **Amazon's** Web Services will further boost its industry clout.

Open Text engages in the cultivation and sale of enterprise information management (EIM) solutions to companies across various industries. Many industries are using Open Text's business-critical EIM solutions. Among them are large companies and professional service firms as well as government agencies.

For Q3 fiscal 2020 (quarter ended March 31, 2020), revenue grew by 42.2% to \$339.5 million versus Q3 fiscal 2019. The operating cash flow increased by 15.2% to \$329.6 million. Open Text had \$1.24 billion in cash at the end of the quarter.

Open Text is ready to meet short-term challenges while preparing for long-term growth. It has a strong balance sheet, preemptive cost measures in place, and an efficient operating framework.

Leading the transformation

Kinaxis is a shoo-in to become one of the top TSX tech stocks in 2020. The COVID-19 pandemic did not stun the growth momentum of this Ottawa-based company. As of this writing, the year-to-date gain is 77.7%. Kinaxis is outperforming the general market by a mile.

You can describe Kinaxis as a phoenix rising. This \$4.71 billion company provides cloud-based subscription software for supply chain operations. Its lead product, RapidResponse, is a versatile solution to the complex problems in the global supply chain.

With the help of RapidResponse, clients in Canada, the U.S., Europe, and Asia can do better supply chain planning. The software has analytics capabilities for managing various supply chain management processes.

Market analysts are forecasting Kinaxis to grow by 17.6% annually over the next five years. The company is gearing to solve the global supply chain problems or clear it of the bottlenecks. Ride on the momentum now.

Top choices

If you're a perceptive investor, Open Text and Kinaxis should be your top choices in 2020. The pandemic did not impact on the businesses negatively. Instead, it opened windows of opportunities and long runways for growth.

Open Text will be a big help to large enterprises in highly regulated industries. It can provide a single solution to handle the high-volume of business-critical documents and optimize customer engagement.

With the disruption of the business climate by COVID-19, supply chain planning becomes a key priority. Kinaxis will play a key role in driving the transformation in the global supply chain. The company aims to help modern enterprises achieve business resiliency and agility.

CATEGORY

1. Coronavirus
2. Investing
3. Tech Stocks

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NASDAQ:OTEX (Open Text Corporation)
2. TSX:KXS (Kinaxis Inc.)
3. TSX:OTEX (Open Text Corporation)

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