



## 2 Top Tech Stocks To Buy During the Next Market Crash

### Description

Canadians witnessed one of the steepest market drops in history this year. The **S&P/TSX Composite Index** dropped by more than 35% in just over one month. To put that into perspective, the market had an above-average year last year with a gain of about 20%.

This type of volatility is a good reminder as to why it's important to keep your focus on the long-term. Extreme spikes like this will happen; there is no avoiding that. Fortunately, Foolish investors don't need to worry about short-term volatility as long as they're buying great companies and holding for the long term.

While the market may have crashed almost 40% in just one month, it rebounded very quickly. It took just two months for the market to drive back up 35%. Year to date, the market is now down about 10%.

### Is another 30% market crashing coming?

As the economy is slowly beginning to re-open across the country, the risk of a surge in COVID-19 cases is on the minds of many Canadians today. If cases begin ramping back up, the stock market may see that as a bearish sign and begin to drop.

No one knows how the stock market will end in 2020 — and don't let them tell you otherwise. As investors, one action that we can take ahead of a potential market crash is making sure our watch list is up to date.

I've reviewed two top **TSX** tech stocks that are on my watch list today. If we do see another steep drop in the market, these are two companies that I'll be giving serious thought about adding to my portfolio.

### Lightspeed POS

Often compared to the much larger American company **Square**, **Lightspeed POS** ([TSX:LSPD](#)) is a top growth stock in Canada today. The \$3 billion company is largely known as a point-of-sale (POS) provider but has grown its product offering into so much more than just that.

Year to date, the stock is in the same place as the Canadian market, down 10%. Given Lightspeed's clientele, the stock could have easily been down by more than 10%. The tech company services primarily small- to medium-sized businesses, many of which are retailers and restaurants.

Lightspeed has expanded its product offering to a point where it's almost a complete one-stop-shop for brick-and-mortar retailers now. Some of the newly introduced products and services include data analytics, digital marketing, and loyalty program creation.

Lightspeed is now [going up against the tech behemoth Shopify](#). Lightspeed recently introduced a robust e-commerce platform that allows brick-and-mortar retailers to create an online store. Although the company may still have plenty of ground to make up on Shopify, offering an e-commerce platform is one more reason for a business to work with Lightspeed.

## Constellation Software

While this tech company might be past its hyper-growth days, it still has plenty of runway left. At a market cap of \$30 billion, **Constellation Software** ([TSX:CSU](#)) is 10 times the size of Lightspeed. This tech giant might be one of the top-performing companies that you've never heard of.

The company is in the business of developing client-specific applications and programs. The company focuses on developing software for corporate businesses, rather than individual consumers, which partly explains the lack of attention the stock receives.

Constellation Software is up more than 15% year to date. Part of the reason that the company has performed so well this is year is due to one major industry that it services. More than half of all revenue is generated by [government-related customers](#).

Perhaps this company won't see revenue growth like Lightspeed over the next couple of years, but Constellation Software can provide shareholders with stability and long-term growth in a very lucrative industry.

## Foolish bottom line

No one knows for sure if a second-wave of COVID-19 cases will cause a market crash. If we do enter another economic downturn, having an updated watch list is very important.

I've outlined my two top picks and why I'll be looking to pick up shares of both companies if the market decides to plummet again.

### CATEGORY

1. Investing
2. Tech Stocks

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1. TSX:CSU (Constellation Software Inc.)
2. TSX:LSPD (Lightspeed Commerce)

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ndobroruka

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