



2 Stocks Have Tripled This Year: Can They Soar Higher?

Description

The **TSX Index** has come roaring off those March lows, and it hasn't looked back. Leading the upward charge were white-hot cloud-leveraging tech stocks that have not only demonstrated resilience amid this unprecedented crisis, but they've actually benefited from the COVID-19 crisis, as the demand for their value-adding offerings have surged for affected firms that need every edge they can get to weather this coronavirus typhoon.

Shopify stock has more than doubled off its March bottoms — a time when I'd pounded the table on the stock. But there are even hotter Canadian Software-as-a-Service (SaaS) stocks that have more than tripled from the depths of the coronavirus crash.

Without further ado, consider shares of **Docebo** ([TSX:DCBO](#)) and **Lightspeed POS** (TSX:LPSD), two lesser-known Canadian mid-cap tech stocks that are now up a whopping 233% and 195%, respectively, from their March lows. I've been a raging bull on both names amid the coronavirus crisis, urging investors to load up shares of both companies on weakness before they had a chance to correct to the upside.

Now that both names have pretty much tripled over the course of a few months, does it still make sense to get skin in the game of either momentum stock? Or will you be left holding the bag, as investors start taking profits off both names?

Docebo: DCBO stock has more than tripled since March

Docebo is an AI-leveraging cloud company in the lucrative up-and-coming [learning management system \(LMS\) industry](#). The coronavirus crisis has profoundly accelerated the work-from-home (WFH) trend. With that, many firms are going to need to tackle the obstacles that are blocking employees from reaching optimal productivity levels from home.

That's where Docebo comes in with its e-learning platform that helps make it easy for clients to train, teach its clientele from the comfort of their own homes. The company leverages next-gen AI to make it easy to deliver, manage, track, and document learning resources. In a nutshell, Docebo offers an

invaluable service that became that much more valuable amid the rise in demand for WFH software products that ease the pains that can come with working from home.

Despite the firm's small size, it serves big-league clients. With innovative technologies at work under the hood of Docebo's platform, the firm also looks to have a wide moat, making the company look like a compelling takeover target for a behemoth cloud company such as a **Salesforce.com**.

In the meantime, Docebo is likely to continue winning over huge clients for the duration of this pandemic. And that should keep the stock moving higher over the next year and beyond.

Lightspeed POS: LPSD stock has almost tripled since March

Up next, we have commerce-enabling firm Lightspeed POS, which, like Shopify and Docebo, has been riding on massive pandemic tailwinds of late. Shares of Lightspeed may have nearly tripled off those March lows, but the stock is nowhere near its all-time highs, as it is still off around 28% from those pre-pandemic heights.

Lightspeed stock lost around 75% of its value amid the coronavirus plunge earlier this year. The implosion, I thought, was wholly unwarranted and was discounting Lightspeed's pandemic-resilient offerings, including its e-commerce, payments, and delivery platforms.

Sure, Lightspeed serves some of the most vulnerable small- and medium-sized businesses (think restaurants and mom-and-pop, brick-and-mortar retailers), but many of these firms are getting government support, and they're using such support to purchase offerings from Lightspeed, so they'll improve their chances of surviving this unprecedented operational disruption.

Foolish takeaway

Both Docebo and Lightspeed are white hot. And they may be too hot to handle for those who missed the run.

Given [pandemic tailwinds](#) have sparked a new bull market in such cloud companies, though, I certainly wouldn't be against the idea of getting a bit of skin in the game in either Docebo or Lightspeed at these heights if you intend to scale into a more significant position on a meaningful pullback.

If I had to choose one to buy today, I'd go with Docebo because it's slightly cheaper (16.1 times sales versus Lightspeed's 18.1 times sales), the client base is ridiculously impressive, the platform looks to have a wide moat, and the pandemic tailwinds behind its back, I believe, are far more powerful.

CATEGORY

1. Coronavirus
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. NYSE:CRM (Salesforce Inc.)

2. TSX:DCBO (Docebo Inc.)
3. TSX:LSPD (Lightspeed Commerce)
4. TSX:SHOP (Shopify Inc.)

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Date

2025/08/13

Date Created

2020/06/24

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