



My Top 3 Tech Stocks for the Rest of 2020

Description

Top sectors on the TSX, including financials and energy, have failed to recover from the beating they took in the late winter and early spring. Fortunately, Canada's relatively small technology sector has managed to provide some mouth-watering returns for investors. Today, I want to look at my top three tech stocks for the rest of the year. Let's jump in.

Why I'm bullish on this tech stock in a growing sector

Back in late June, I'd explained how investors could avoid **BlackBerry** but still get in on the [promising cybersecurity sector](#). Cybersecurity Ventures is a research firm focused on this growing sector. It recently forecast that global spending on products and services in the cybersecurity sector would exceed \$1 trillion over the five-year period from 2017 to 2021.

This is why I'm focused on the tech stock **Absolute Software** (TSX:ABT). The company develops, markets, and provides cloud-based endpoint visibility and control platform for the management and security of a variety of devices, applications, and organizations. Shares of the tech stock have surged 75% in 2020 as of close on July 28.

Absolute released its third-quarter fiscal 2020 results on May 11. Total revenue increased 5% year over year to \$26.1 million, and its Annual Contract Value Base climbed 7% to \$101.4 million. Meanwhile, Absolute continues to offer a quarterly dividend of \$0.08 per share. This represents a 2.1% yield.

Kinaxis has erupted in 2020

Kinaxis ([TSX:KXS](#)) has been one of the biggest stories on the TSX in 2020. The Ottawa-based company provides supply chain and operations planning software to its global client base. This tech stock climbed 92% in 2020 so far. Few stocks [performed better](#) in the face of the COVID-19 pandemic.

Indeed, the pandemic has illustrated the need for many companies to revamp and/or modernize their

supply chains. Its superior platform has managed to win Kinaxis huge contract wins with global giants like Unilever, **Toyota**, and **Ford**. Kinaxis also boasts a flawless balance sheet. Investors can expect to see its second-quarter 2020 results on August 6.

Shares of Kinaxis have gained tremendous momentum in 2020. Value investors may want to wait out a purchase on more favourable terms. Regardless, I love this tech stock for the long term.

One more tech stock to snag today

Real Matters ([TSX:REAL](#)) is an Ontario-based company that provides technology and network management solutions to mortgage lending and insurance industries in North America. Its stock has soared 134% in 2020 as of close on July 28. Management expects its earnings momentum to continue. The mortgage space is underpinned by historically low interest rates in Canada and the United States. Meanwhile, there is little to indicate that this will change in any meaningful way in the near term.

The company is set to release its third-quarter fiscal 2020 results before the market opens tomorrow. Real Matters is pricey, but it possesses an immaculate balance sheet. Moreover, there is still strong growth potential for its booming business across North America. If there is a pullback, investors should look to buy any dips in this top tech stock.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. TSX:ABST (Absolute Software)
2. TSX:KXS (Kinaxis Inc.)
3. TSX:REAL (Real Matters Inc.)

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