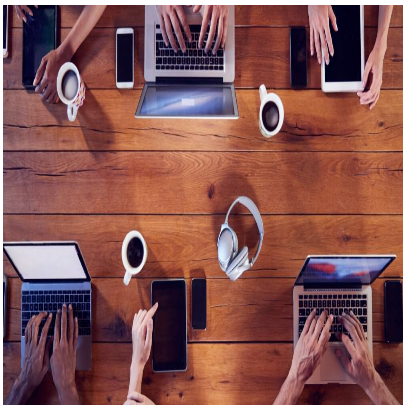

Buy These 2 Tech Stocks to Get Rich

Description

As a growth investor, I am constantly looking for companies that have the potential to return many times my original investment over the long run. Because of the potential companies in this space have, much of my portfolio is concentrated in the tech sector. There are only a handful of Canadian companies in my portfolio, but I believe them to be outstanding companies to hold moving forward. Which two tech companies should you consider this month?

An e-learning platform for enterprises

One of my favourite Canadian companies at the moment is one that I do not hold, unfortunately. In my opinion, **Docebo** (TSX:DCBO) has the potential to be one of the biggest companies in the country. The company has two strong tailwinds working in its favour.

First, it is an emerging leader in an industry that is quickly growing. Enterprises are moving faster than ever to digitize their operations. As a leader in e-learning, Docebo should see large growth in its customer base over the next decade. Second, the COVID-19 pandemic has required other businesses to turn to permanent work-from-home organizations. Because of this, face-to-face training is no longer an option, and those companies will require platforms similar to Docebo's offerings.

The stock has increased about 50% since I first wrote about it, but that is not even the most impressive aspect of its recent performance. So few companies in the world have been able to claim growth of over 250% since the global markets hit their bottom in March. At a market cap of about $1 billion, Docebo still has a lot of room for growth.

A hot new IPO

If you follow the Canadian technology sector very closely, there is a good chance you may have heard of **Dye & Durham** (TSX:DND). This company is a very new IPO on the TSX, first trading on July 17. Dye & Durham provides a cloud-based software to financial services companies, government agencies, and law firms. Its platform automates tasks such as due diligence, document creation, and electronic records filing.

Dye & Durham's IPO was largely successful. The company opened trading at $7.50 and saw its stock close at a 97% gain for the day. Even with such a strong open, Dye & Durham still trades well below its sector averages. The company currently has a price-to-sales ratio of 8.21, which is much lower than other popular tech companies such as **Shopify** (91.31) and **Lightspeed** (26.12).

Dye & Durham's top line has been growing exceptionally year over year. Over the past three years, its annual revenue has increased over 3.5 times. One thing to note about the company is that it currently holds quite a bit of debt on its balance sheet. Dye & Durham lists $3.5 million in cash and cash equivalents but also reports current debt of $9.245 million.

Foolish takeaway

Two of my favourite tech companies right now are Docebo and Dye & Durham. I believe these two companies will be very strong in the future. If these two companies fit what you are looking for in your portfolio, then definitely give them a look.

CATEGORY

1. Investing
2. Tech Stocks

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TICKERS GLOBAL

1. TSX:DCBO (Docebo Inc.)
2. TSX:DND (Dye & Durham Limited)

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Date
2025/07/20
Date Created
2020/08/04
Author
jedlloren