



3 Under-\$50 Tech Stocks to Buy and Hold Forever

Description

Good-quality tech stocks should always be a part of your portfolio, as they often beat the broader markets. Take 2020 for example. Tech stocks are on a tear in 2020, outperforming the broader markets by a considerable margin. Moreover, the momentum in these stocks is likely to sustain even beyond 2020.

If you haven't participated in the rally, do not worry and [start investing, even with smaller dollar amounts](#). Yes, you don't need tonnes of cash to buy these high-growth tech stocks. There are a few fundamentally strong tech stocks that you can buy under \$50.

These tech companies have strong growth catalysts that could help generate significant returns for your portfolio.

Lightspeed POS

If you have missed the opportunity of investing in **Shopify** stock in its early days, consider buying the shares of **Lightspeed POS** ([TSX:LSPD](#)). Similar to Shopify, Lightspeed's platform helps SMBs (small- and medium-sized businesses) in transitioning online and providing their customers with a seamless omnichannel experience. Lightspeed's platform helps SMBs in managing their payments, e-commerce, and supply chain.

The pandemic has led to a [spike in demand](#) for its digital offerings as more and more SMBs are shifting online to stay relevant to their customers. Moreover, it acts as a significant long-term tailwind for Lightspeed, as the demand is likely to sustain, even in the post-pandemic phase.

With a favourable industry outlook, strong competitive positioning, innovation, and expansion of its product suite, Lightspeed POS is likely to benefit significantly in the long run and generate stellar returns for its investors.

Absolute Software

Shares of **Absolute Software** (TSX:ABT) are up over 82% year to date and have more than doubled in one year. Similar to the majority of tech companies, Absolute Software is also witnessing a spike in demand for its security software and solutions.

Coronavirus has forced people to work and learn remotely, thus driving demand for security software. Even before the pandemic, Absolute Software impressed with its financial performance, thanks to the steady increase in annual contract value base and high recurring revenues.

While Absolute Software is likely to benefit from rising demand, lower competitive activity, a high customer retention rate, and its debt-free balance sheet should augment the growth further.

Investors should note that Absolute Software also pays dividends, which translates into a forward yield of 2%. High demand, opportunity to grow both organically and inorganically, and lower competitive activity should continue to boost Absolute Software stock in the long run.

Facedrive

Facedrive (TSXV:FD) stock has surged over 700% this year. However, I believe that the rally in its stock has only just begun. Its eco-friendly ride-sharing platform continues to attract an increased number of users and drivers.

With its growing user base and low customer acquisition costs, Facedrive remains well positioned to expand further in new regions.

The demand for its offerings is likely to increase in the coming years. Meanwhile, with a large addressable market and expansion opportunities in the U.S. and European markets, Facedrive remains well positioned to generate outsized growth for its investors.

Bottom line

These tech stocks are trading under \$50 and are likely to generate market-beating returns in the long run. Even a small investment in these high-growth TSX stocks can make you very rich over time.

CATEGORY

1. Investing
2. Tech Stocks

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. TSX:ABST (Absolute Software)

2. TSX:LSPD (Lightspeed Commerce)
3. TSXV:STER (Facedrive Inc.)

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