



## Got \$3,000? These 3 Tech Stocks Should Make You a Fortune

### Description

If you'd invested \$3,000 in tech giant **Amazon** 10 years ago, it would be worth close to \$280,000 today. A similar investment in **Netflix** back in 2005 would have ballooned to a staggering \$900,000 today while **Shopify** would have returned \$102,000 in just over five years.

You need to find one such growth stock that has the potential to accelerate your retirement, secure your future, and change your life forever. This means you need to identify young companies that have the potential to yield significant gains.

These stocks should ideally have easily scalable businesses that will drive explosive top-line growth for several years. Here's why companies such as **Lightspeed** ([TSX:LSPD](#)), **Aritzia** ([TSX:ATZ](#)), and **Okta** ([NASDAQ:OKTA](#)) are three stocks that can increase your wealth exponentially over the next decade.

### A tech stock with significant upside potential

Lightspeed is a company that needs to be on the radar of most growth investors. The Canadian stock fell to \$10.5 a share during the market sell-off but has since recovered 300% in just a few months to currently trade at \$40.

LSPD's subscription-based model, expanding product portfolio and stellar revenue growth makes it a top pick for the upcoming decade. LSPD sales [in the June quarter](#) rose 50% year over year to \$36.2 million. Comparatively, gross transaction volume was up 17% at \$5.4 billion.

The company's recurring revenue sales were up 57% and accounted for 92% of total sales. Its subscription-based model will help Lightspeed through weak economic cycles and ensure a predictable stream of cash flows.

LSPD is forecast to increase sales by 37% in fiscal 2021 to \$165 million and by 40% to \$231.8 million in 2022.

## A fashion boutique

The COVID-19 pandemic has decimated companies in the retail sector and also had a huge impact on Aritzia. The company is a women's fashion boutique with 96 stores in Canada and the United States. In the quarter ended in May 2020, Aritzia's sales fell 43.4% to \$111.4 million, while adjusted EBITDA loss widened 174% to \$25.2 million. Its net loss stood at \$0.23 as well.

The last quarter was one of the most challenging times for retail companies. ATZ stock fell to a record low of \$9.2 during the bear market in March 2020 before recovering to currently trade at \$17.9.

However, despite retail store closures, the company managed to outperform analyst revenue estimates of \$108 million and net loss forecasts of \$0.25 per share. Aritzia is not a traditional tech company, but it has had to innovate during these uncertain times. The ongoing pandemic has accelerated the shift towards e-commerce, and online sales for Aritzia rose 125% in the May quarter.

Aritzia's strong leadership ensured that there were no lay-offs, which is a rarity in the retail space this year. This has helped the company ramp up operations once lockdown measures were eased and the company has reopened 89 of its 96 stores.

Aritzia's strong balance sheet, prime locations, and rising e-commerce sales make it a top retail-tech stock to buy and hold for the long term.

## A remote work enabler

Okta stock has gained a massive 750% since its IPO back in 2017. In 2020, the stock is up close to 75% and has easily outperformed the broader markets. Okta is a tech company that provides identity and access management services to enterprises. The company will continue to benefit from the work-from-home trend and has forecast sales growth at 32% in fiscal 2021.

The identity and access management market is forecast at \$24 billion giving Okta enough room to grow and add multiple high-dollar customers. In the most recent quarter, Okta added 113 [new customers](#) with annual contracts in excess of \$100,000. Okta's net retention rate of 119% also indicates that customers sign up for other services, which reduces the company's acquisition costs.

Okta's subscription-based business model coupled with its expanding suite of solutions will help the company widen the customer base and drive revenue growth in 2020 and beyond.

### CATEGORY

1. Investing
2. Tech Stocks

### TICKERS GLOBAL

1. NASDAQ:OKTA (Okta)
2. TSX:ATZ (Aritzia Inc.)
3. TSX:LSPD (Lightspeed Commerce)

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