



Why This 1 Little-Known Tech Stock IPO Is a Buy

Description

Canadians might not have latched onto it yet, but the U.S. media is abuzz. The name on everyone's lips is **Jamf Holding** ([NASDAQ:JAMF](#)). A *de facto* play on **Apple** upside, this name is also a buy for cybersecurity tech fans in its own right. This unique name went public last month and is already getting an overall buy rating from analysts stateside. Here's what Canadian investors need to know about this intriguing new name.

A new tech stock packed with potential

Jamf is expected to see revenue growth of more than 19% annually over the next few years, but its story has more depth than this. This follows on from revenue growth in the 40% range for the last 12 months. While there are flaws with this stock, there is the potential for share price growth here. Cons include a less-than-perfect balance sheet and a patchy outlook. However, it's early days in terms of an analyst consensus.

Debt to equity of 41% is a little on the high side for a speculative play like this, though. And while Jamf has that high-profile Apple attachment, investors may want to wait for the dust to settle before going long. The stock is up 10.9% since listing, which suggests that investors are not overly hyped at this stage. Growth investors still have a chance to get in at the ground floor, in other words.

What makes Jamf interesting from an operations point of view is its cybersecurity angle. For instance, its Jamf Pro application is used by system admins to carry out administration tasks for devices running macOS, iOS, and tvOS. It's the Apple derivative play that really resonates, though. Investors have a chance to get in on some of that Apple upside without the cost of Apple shares.

The homegrown alternatives for tech stock upside

BlackBerry is another stock that offers a similar play, with its own cybersecurity access. The Cylance deal helped transform this Canadian success story into a high-stakes tech play. The takeover, completed last February, helped solidify BlackBerry's position as a major player in the cybersecurity

space. Down 32% year over year, though, and trading with a P/B of just 1.4, BlackBerry offers a play on value.

The same can't be said for **Docebo**. Investors may have missed the boat on this popular tech stock. While value investing isn't exactly in vogue at the moment, this could be about to change. Early pullbacks in Docebo may indicate a [change in investor sentiment](#), as did a vaccine-induced pullback in **Shopify** a while back. Up 200% year on year, Docebo's valuation might finally be too rich for investors.

Lightspeed offers a better value play for tech stock upside. However, its exposure to retail and restaurant risk might put this stock beyond the reach of lower-maintenance growth investors. Investors seeking retail-based tech stocks may have already [sidestepped Shopify](#) for similar reasons. However, of the two latter stocks, Lightspeed exhibits less overvaluation while satisfying a more bullish recovery investment strategy.

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