



Got \$3,000? 3 Tech Stocks About to Blow

Description

It's been a challenging year for investors. It started off with economists seeing an imminent bear market coming, if not a full-blown recession. This happened when the United States federal reserve showed an inverted yield curve. So, you could say some of what's happened could have been predicted. But no one could have predicted the pandemic or the response of tech stocks.

Almost as soon as the pandemic hit, a drop started in the markets. By March, there was a huge drop, as the pandemic hit almost every shore around the world. Markets including the **TSX Composite** fell by almost 40%. Yet there were a few stocks that remained fairly steady.

After an initial drop no stock could avoid, tech stocks proved to be almost the only type of stock to continue doing well. That was especially true for tech stocks involved in the e-commerce market. But while some leveled out, a few remain growing and could continue right on growing through the future predicted market crashes.

BlackBerry

If there's one area that's seen huge growth, it's the work-from-home economy. At the beginning, businesses were either forced to close up shop, or send employees home to work, with few exceptions. However, now businesses are starting to open yet again. But that doesn't mean people will stop working from home. In fact, in many cases, businesses are opening up to only about 50% capacity. This means the need for cybersecurity to protect business data will continue.

The perfect stock to take advantage of this work-from-home growth is **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)). BlackBerry has seen a huge increase in subscriptions to its service. However, the last earnings report was down, which is why shares are still low. But this was explained by the affect of the pandemic on the company's auto sector, and a one-time payment.

The next earnings report in September should see a huge increase. Shares are almost to pre-crash prices, but still have the potential to soar as this business continues to boom.

Lightspeed

With businesses opening up yet again, that also means retail stores are finally able to bring back [customers](#). This means a company like **Lightspeed POS** ([TSX:LSPD](#)) should see a rapid increase once more. The company was soaring before the crash, with record-setting revenue again and again. After the crash hit, with retail and restaurant locations closing, the company saw a rapid decline.

Now, the company is back on track. Not only should an increase continue with brick-and-mortar stores open, but many have moved online. This means even should other waves hit, the company should continue to do well.

In fact, the last quarter, the company returned with a bang. Recurring revenue increasing 57% year over year, and record quarterly results increased thanks to customer payments. With businesses opening, this should only increase even further. So, even though shares are at all-time highs, it's likely you're still getting a deal.

Real Matters

Another tech industry that's been doing well is the [mortgage](#) and insurance industry; when one slows down, the other takes its place. While the downturn has been bad for other areas, people across the board — especially in the United States — have actually been renewing their mortgages. With interest rates at lows not seen in decades, it's the perfect chance to renew a mortgage.

With **Real Matters** ([TSX:REAL](#)) representing 60 of the top 100 mortgage lending companies in the United States, the company has already seen a huge increase in demand. During the last report, revenue almost doubled to \$72.6 million. Adjusted EBITDA also grew to 61%. With demand likely to only increase in this billion-dollar industry, the company even bought back 64 thousand shares. This company could explode in the next few years, so it's a great time to buy before that happens.

Foolish takeaway

No one could have predicted that tech stocks would provide some defence during an economic downturn. However, all three of these companies stand to continue doing well even if the pandemic lasts years. Some economists predict it could be around for 2024. So, at the very least, by buying these three tech stocks, you'll have some financial protection in the short and long term.

CATEGORY

1. Bank Stocks
2. Coronavirus
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TICKERS GLOBAL

1. NYSE:BB (BlackBerry)

2. TSX:BB (BlackBerry)
3. TSX:LSPD (Lightspeed Commerce)
4. TSX:REAL (Real Matters Inc.)

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