3 Monster-Growth Tech Stocks Under $49

Description

Despite the massive recovery rally, the momentum in a few **TSX** tech stocks is likely to remain alive in the coming years. Thus, long-term investors can consider buying these shares offering ultra-high growth.

Lightspeed POS

Shares of **Lightspeed POS** (TSX:LSPD) have jumped over 281% since hitting the low of $10.50 in March 2020. Despite the steep recovery in Lightspeed stock, the rally is likely to continue, thanks to the large addressable market and secular industry tailwinds.

Amid the pandemic, increased number of small- and medium-sized retailers and restaurant operators are shifting towards the omnichannel platform to meet the growing demand from customers. Moreover, this trend is likely to be sustained, even in a post-pandemic world. The rush to move online is benefiting Lightspeed POS and presents a multi-year growth platform.

Lightspeed's digital products help these SMBs in the transition by managing their payments and e-commerce. As a higher number of businesses use Lightspeed's platform, the company could witness increased traction in premium offerings like loyalty, analytics, and accounting.

Sustained demand for Lightspeed's core platform and premium offerings is likely to drive its ARPU and support the uptrend in its stock.

Dye & Durham

Dye & Durham (TSX:DND) stock has skyrocketed since listing on the TSX in July 2020. It has increased over 218% from its IPO price and has enough ammo that could continue to push its stock higher. Its tech platform helps legal professionals with instant access to public records, owing to which its customer base is growing swiftly, while the churn rate remains very low. Besides the strength in its base business, strategic acquisitions have bolstered its growth further.

Dye & Durham acquired 14 companies over the past seven years. Robust growth in the base business and acquisitions helped the company in reporting high double-digit growth in its revenues and adjusted EBITDA over the past several years.

Dye & Durham's over 25,000 active clients, long average tenure with top customers, and a very high customer retention rate is encouraging. Acquisitions and the large market provide ample growth opportunities. The company is reducing costs and has increased its pricing, which could cushion margins and support the uptrend in its stock.

Docebo

Docebo (TSX:DCBO) is another top under $49 tech stock with strong growth prospects. Its stock has rallied about 350% since hitting its lows in March. Despite the monster growth, the rally in Docebo stock could be sustained due to the increased spending on corporate e-learning.

While the pandemic led to higher utilization rate, its platform has performed exceptionally well even in the pre-pandemic phase. Investors should note that Docebo's top line grew at a compound annual growth rate of 61% from FY16 to FY19. During the same period, its average contract value rose over 2.7 times.

The enterprise e-learning platform is acquiring clients fast, as reflected through a CAGR of 26% in its customer base.

The increased focus on corporate learning, growing average deal size, the addition of new customers and high retention rate imply that Docebo's top line is likely to grow at a breakneck pace in the foreseeable future and propel its stock higher.

CATEGORY

1. Coronavirus
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. TSX:DCBO (Docebo Inc.)
2. TSX:DND (Dye & Durham Limited)
3. TSX:LSPD (Lightspeed Commerce)

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