



3 Top Tech Stocks to Buy Now

Description

Facedrive (TSXV:FD), **Absolute Software** (TSX:ABT), and **Real Matters** ([TSX:REAL](#)) are three top Canadian tech stocks poised for strong growth in the coming years. Let's look at each company to see what makes them good buys.

Facedrive

Facedrive is one of the [fastest-growing tech stocks](#). Its shares have returned more than 400% since the company's IPO in September 2019.

The ride-share company's stock has grown by more than 350% since the start of the year, despite strict restrictions on taxi traffic amid the pandemic. The company has gained about 250% in six months. However, the stock has fallen by 25% over the past month.

The shares of this tech company are currently trading near \$11. The company has a market capitalization close to \$1 billion, and it has a price-to-book (P/B) ratio of 109.73, according to Yahoo Finance.

Facedrive has expanded into various new segments. One of them is called Facedrive Rideshare. This feature offers ecological transport solutions. Another is Facedrive Foods, which delivers food to consumers' doors. The company also has an e-commerce platform called Facedrive Marketplace. Then there is Facedrive Health, which offers technological solutions to health challenges.

In its quarter ending March 31, 2020, the company recorded revenues of \$0.39 million compared to \$36,027 for the same period last year. However, its operating losses fell to \$1.62 million in the last quarter from \$0.83 million as of March 31, 2019.

Absolute Software

Absolute provides endpoint security and data risk-management solutions.

Its stock has doubled in value this year, thanks to the rally in tech stocks amid the pandemic. Over the past six months, this cybersecurity stock has risen by 75%, and 20% in the past three months. Shares are up by 30% over one month. The stock is currently trading above \$17.

Absolute's market capitalization is \$740 million. It has a price-to-sales (P/S) ratio of 5.6.

In its results for the fourth quarter of fiscal 2020 (ended June 30, 2020), the company recorded sales of US\$27.2 million, up 8% year over year. Net profit increased 9% year over year to US\$2.2 million. Absolute ended the quarter with US\$11.6 million in cash from operating activities. It distributes a quarterly dividend of \$0.08 per share. The dividend yield is close to 2%.

The average estimate for revenue is about \$116 million for the current fiscal year, which would be an increase of 11.2% from a year ago. Earnings are estimated to grow by 12.5% to \$0.27 per share.

Real Matters

Real Matters develops technology solutions for mortgage lenders and insurers. Technology solutions can help facilitate mortgage appraisals for buying, refinancing, or completing home equity transactions.

Historically low interest rates are boosting refinancing activity in the United States, resulting in a higher utilization rate of Real Matters's platform, which, in turn, supports its growth.

[During the last quarter](#), Real Matters recorded a 53% growth in net revenues. At the same time, its adjusted EBITDA and adjusted EBITDA margin increased significantly.

With an uncertain economic outlook, interest rates should remain low for the remainder of 2020 and beyond. As a result, the mortgage refinancing business should continue to remain strong for the foreseeable future.

Real Matters stock has more than doubled in valued year to date. Shares have rebounded very well over the past six months, with a return of 63%. The stock is down by 8% over three months but has gained 10% in the past month.

The company has a market cap above \$2 billion. It has a P/B ratio of 8.6. The average estimate for revenue is about \$116 million for the current fiscal year, which would be an increase of 11.2% from a year ago. Earnings are estimated to grow by 12.5% to \$0.27 per share.

The average estimate for revenue is about \$159 million for the current fiscal year, which would be an increase of 55.9% from a year ago. Earnings are estimated to grow by 147.8% to \$0.57 per share.

CATEGORY

1. Investing
2. Tech Stocks

POST TAG

1. Editor's Choice

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1. TSX:ABST (Absolute Software)
2. TSX:REAL (Real Matters Inc.)
3. TSXV:STER (Facedrive Inc.)

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