



Forget Air Canada (TSX:AC)! 2 TSX Tech Stocks With a Way Higher Ceiling

Description

After months of lying dormant, **Air Canada** ([TSX:AC](#)) is finally showing some vitality. It's too early to tell whether the stock is finally recovering (powered by vaccine-driven optimism), or is it just one of the stock's usual temporary surges. If the stock keeps on rising at a powerful pace, it will endorse many investors that pegged Air Canada as the ultimate recovery stock.

That said, [Air Canada](#) might still be too risky a bet, especially after the company had to dilute its shares to improve its liquidity position. While that may not exactly hinder the stock's recovery, it *might* prevent the stock from reaching its pre-pandemic valuation and growth potential anytime soon. Therefore, you may want to consider two TSX stocks that are better poised for growth.

A digital “insurance” company

Nowadays, we are heavily dependent on mobile phones. Can you imagine how much trouble you'd be in if you woke up tomorrow and your phone was wiped clean, and your data wasn't backed up to a cloud? Imagine the same happening to a company.

This is where companies like **Absolute Software** (TSX:ABT) comes into play. It's a Vancouver-based company [that specializes](#) in endpoint security and data risk management. Absolute firmware-embedded code/software in IT assets allows a company to monitor and control its network of IT devices and all the data-related assets. This can prevent data theft and loss and offers a secure IT environment.

For investors, Absolute is a decent growth stock with an upside potential significantly higher than Air Canada. Granted that most of this potential manifested around this year's market crash, but it was potent enough to push the company's five-year CAGR to almost 18%. So, if you invest \$5,000 in the company now, and it maintains this pace, you'd have \$11,000 in the company after five years.

One of the best recovery stocks

While **Lightspeed** ([TSX:LSPD](#))([NYSE:LSPD](#)) wasn't *the* best recovery stock after the market crashed, it's definitely among the top few. From its lowest valuation in March to its current share price, the stock has grown by 330%. If the market crashes again, that's one recovery stock you should look into. If you had invested \$5,000 when the company was trading for \$12 per share in March, you'd have grown that amount to \$21,000 in less than a year.

Lightspeed is also part of a lucrative and booming market: e-commerce. The e-commerce market has yet to reach its saturation point and is continuously improving and changing thanks to technological advancement and dynamic consumer needs. If Lightspeed can keep its promise to small- to medium-sized businesses and manages to retain and grow its client list, the stock might keep flying higher.

Foolish takeaway

Air Canada's glory days are gone, but its dominance in Canada's air travel industry is only going to increase once the Trans At deals go through. But even if the company recovers, it would take years before it grows past the losses of the 2020 market crash. The two tech stocks are in a much better position and can be valuable additions to your portfolio.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. TSX:ABST (Absolute Software)
3. TSX:AC (Air Canada)
4. TSX:LSPD (Lightspeed Commerce)

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