



The Bull Run in These 3 Tech Stocks Could Continue Into 2021

Description

The equity markets were on a roller-coaster ride this year amid the pandemic. However, the technology stock witnessed strong buying, as the world moved towards digitization amid the social-distancing guidelines. Meanwhile, some tech stocks have been under pressure since last month amid the positive announcements on the vaccine.

However, I believe the following three tech stocks could continue their bull run into 2021, given their high growth prospects and the structural shift in customers' preferences.

Lightspeed POS

Lightspeed POS ([TSX:LSPD](#))([NYSE:LSPD](#)) has delivered multi-fold returns since bottoming out in March. Amid the pandemic, small retailers and restaurant operators shifted to omnichannel platforms from legacy point-of-sales to survive amid the pandemic-infused lockdown. This structural shift has created a long-term growth opportunity for Lightspeed POS.

Despite the high competition, the e-commerce-enabling company has been aggressively adding new customers, while its payment volumes are rising significantly. The company continues to develop innovative products to attract more customers and increase its average revenue per user.

Apart from its organic growth, the company also focuses on strategic acquisition to expand its footprint. It recently acquired [ShopKeep](#) and Upserve, which could increase its customer base and drive its financials. With cash and cash equivalents of \$513.1 million at the end of the September-ending quarter, the company is well positioned to continue its future acquisitions. So, given its healthy growth prospects, [I am bullish on LightSpeed POS](#).

WELL Health

WELL Health Technologies ([TSX:WELL](#)) is trading over 345% higher for this year. The increased demand for telehealth services amid the pandemic drove the company's financials and its stock price.

WELL Health's top line increased by 49.5% in the September-ending quarter, while its adjusted EBITDA losses narrowed down to \$153,488 from \$512,076.

The demand for WELL Health's services could sustain in the post-pandemic world also, given the convenience and accessibility. Meanwhile, the company has continued its expansion by acquiring Circle Medical Technologies, DoctorCare, Easy Allied Health, Insig Corporation, and Source 44 during this quarter. These acquisitions could contribute \$48 million to the company's total revenue annually. The company has also signed letters of intent to acquire 10 more companies. With liquidity of \$100 million, the company is well positioned to complete these acquisitions.

WELL Health had also launched "apps.health," a market place for digital health applications. It hosted 26 apps at the end of the third quarter. So, given its high growth prospects, I expect WELL Health to deliver impressive returns in 2021 as well.

Nuvei

Nuvei ([TSX:NVEI](#)) is an electronic payment-processing company offering services to approximately 50,000 customers operating across 200 markets with 150 currencies. Its proprietary platforms support high-growth mobile and e-commerce markets.

Amid the structural shift towards online shopping, I expect e-commerce sales to rise in the coming years. eMarketer has estimated that mobile commerce and e-commerce purchase volumes to grow at an annualized rate of 13% over the next four years to reach US\$6.3 trillion globally by 2024. So, this shift towards e-commerce could benefit Nuvei.

Meanwhile, the company has significant exposure to the iGaming and sports betting industries also. It has the authorization to operate in Colorado, Indiana, and West Virginia. However, 17 U.S. states have already legalized sports betting, while many more states are working on the legalization process. Being the early mover in the underpenetrated industry, Nuvei has significant scope for expansion.

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1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. TSX:LSPD (Lightspeed Commerce)
3. TSX:NVEI (Nuvei Corporation)
4. TSX:WELL (WELL Health Technologies Corp.)

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Date

2025/08/24

Date Created

2020/12/11

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