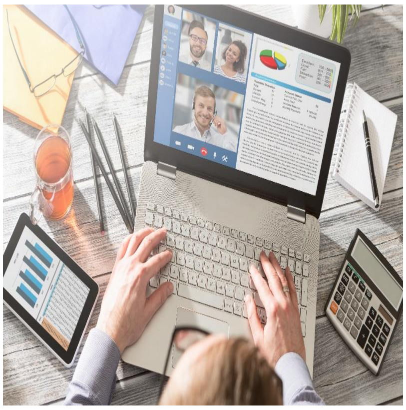

A Great Canadian Tech Stock to Buy as Growth Sells Off

Description

The stock market is pulling back sharply one full year after the insidious coronavirus pushed tech stocks off a very steep cliff. The 2020 stock market crash wiped out a ton of investor wealth over a very concise timeframe. As stocks collapsed, investors had little to no time to get out of the way. But if you stayed the course and bought on the way down, you probably recovered far quicker than the average. I don't think this growth sell-off will be any different.

Remember, the worst days for the market tend to accompany the best days. And if you think about getting out after a sell-off, like the one we suffered this Thursday, you could miss out on the next big bounce back, and you'll be forced to buy at higher prices — perhaps much higher prices should tech and growth stocks look to recover in early March, as bond yield jitters fade.

Bond yield jitters? This sell-off likely opened up a buying opportunity in tech stocks

10-year Treasury yields at 1.6% are undoubtedly concerning for growth-oriented investors. Like it or not, its real returns are still negative, and that still makes stocks worthy of a premium price tag. Just how high of a premium? That's the million-dollar question that nobody has the answer to at this juncture.

Fortunately, stock pickers should embrace the stock market correction and be ready to scoop up their favourite companies at a nice discount to their intrinsic value. In this piece, we'll have a look at hard-hit Canadian tech stocks that I still think are worth picking up after the last week of excessive selling in the high-growth tech sector.

Consider shares of **Docebo** (TSX:DCBO)(NASDAQ:DCBO), one growth stock that took a brunt of the damage in recent growth- and tech-driven sell-off. As investors move on from higher bond yields, Ithink the name will be in a spot to bounce back, perhaps sharply, as investors realize that there aren'tmany too many places to put their money these days! A 1.6% yield on a 10-year U.S. Treasury is stillquite a terrible return. It's still a negative real return.

Docebo

Docebo is an e-learning kingpin that's not about to see the demand for its Learning Management System (LMS) software plunge anytime soon. Many pundits, including the likes of Bill Gates, think that remote work will be here to stay (at least in part) once the pandemic ends. Moreover, while the pandemic may end in 2022, it's unlikely that COVID-19 will be eradicated anytime soon, even with vaccines rolling out.

As such, I expect the work-from-home (WFH) trend to continue strong, and that'll call for better WFH infrastructure. Docebo won over some big clients in 2020, and I don't think the momentum is about to stop anytime soon. The stock took a 25% hit to the chin and is worth buying on the way down if you're looking to grow your wealth at an above-average rate over time. Just mind the volatility and get ready to buy at lower prices. Docebo is a stellar company that's in the penalty box for all the wrong reasons.

Foolish takeaway for growth and tech stock investors

Even if bond yields surge to 2%, real returns would still stand to be zero.

And if you're willing to roll up your sleeves, you can snag the bargains that'll start raining from left, right, and centre, as they did during the 2020 stock market crash. Keep plenty of dry powder on the sidelines and dollar-cost-average your way into a full position as you look to buy the dip. Docebo is just one of many compelling names to buy after last week's tech correction.

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Date
2025/07/08
Date Created
2021/02/26
Author
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