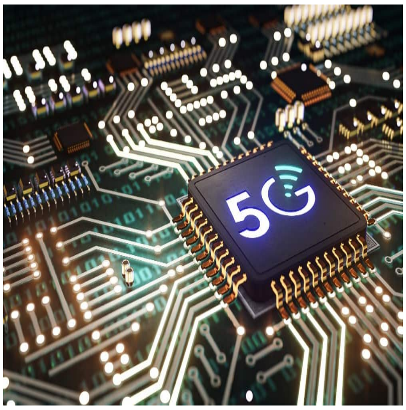

Forget Apple and Tesla: 2 Canadian Tech Stocks I'd Buy Instead

Description

North American tech stocks were battered in late February and early March. Surging bond yields led to steep losses on the **NASDAQ**. **Apple**, which boasts a monster $2 trillion market cap, has seen its stock drop 5% in 2021 as of early afternoon trading on April 1. **Tesla**, which has put together a monster run since late 2019, is down 8.5% in the year-to-date period. Both tech stocks are up triple-digit percentage points from the prior year. Today, I want to look at two Canadian tech stocks that I'm sticking with over these U.S. giants. Let's jump in.

This tech stock is poised to grow on the back of this explosive industry

In the middle of March, I'd looked at stocks that could make a fortune for TFSA investors. **Lightspeed POS** (TSX:LSPD)(NYSE:LSPD) is a Montreal-based company that provides point-of-sale and e-commerce software. Investors should be familiar with the explosive potential of this sector exemplified by tech stocks like **Shopify**. Shares of Lightspeed have dropped 5.2% in 2021 so far. The stock is up over 400% from the prior year.

The company put together a positive performance in the third quarter of fiscal 2021. Revenue grew 79% from the prior year to $57.6 million. In March, Lightspeed announced the acquisition of VendLimited. Vend is a cloud-based retail management software company. This acquisition will bolster Lightspeed's customer base by more than 20,000 locations worldwide. Moreover, it will enhance its foothold in the Asia-Pacific region.

Shares of this tech stock briefly fell into technically oversold territory in early March. It has climbed back to neutral levels, but I'm still bullish on this exciting tech stock to start the month of April.

How Kinaxis broke out in 2020

Kinaxis (TSX:KXS) is an Ottawa-based company that provides cloud-based subscription software for supply chain operations around the world. It has managed to secure contracts with top companies like **Ford**, **Toyota Motors**, **Unilever**, and others. Canada has been vaulted into a global leadership position in this space on the strength of companies like Kinaxis. It proved resilient when the pandemic first hit in early 2020. This tech stock has dropped 15% in 2021 so far. Shares are still up 46% year over year.

Total revenue fell 2% year over year to $54.9 million in the fourth quarter of 2020. Meanwhile, gross profit and adjusted EBITDA dropped 16% and 66%, respectively. Still, the company reported revenue growth of 17% for the full year and gross profit jumped 12% to $154 million.

Kinaxis was faced with COVID-related booking delays throughout 2020. These took their toll in the fourth quarter and are expected to continue into this year. However, leadership expects that an improved business environment will continue to drive growth looking ahead to the middle of this decade. Kinaxis' year-end sales pipeline grew 40% from 2019. This is a tech stock that Canadians should consider buying on the dip in early April.

CATEGORY

1. Investing

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1. NYSE:LSPD (Lightspeed Commerce)
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