



2 of the Best Canadian Tech Stocks to Buy on a Dip Today

Description

The broader market has started May on a [strong note](#), as the **TSX Composite Index** has risen by 1.1% in the first few days of the month. However, most Canadian technology stocks are witnessing a downside correction this month. Let's take a look at two fundamentally strong tech stocks that you can buy on a dip in May 2021. These [tech stocks](#) could help you get handsome returns in the long term.

Lightspeed POS stock

Lightspeed POS ([TSX:LSPD](#))([NYSE:LSPD](#)) is a Montreal-based enterprise software firm. Its stock has yielded solid 200% returns in the last year that have boosted its current market cap to \$10.4 billion. Its stock has slipped by 7.7% in May so far after registering 8.6% gains in April. Its recent stock price drop could be attributed to the ongoing correction in most technology stocks.

Earlier this week, Lightspeed partnered with the United States small business administration. The partnership is focused on allowing hospitality merchants to access government-provided US\$28.6 billion restaurant revitalization funds using Lightspeed's software technology.

The company is set to report its March quarter financial results on May 20. The demand for Lightspeed's software solutions could remain solid in the coming years, as more businesses are now willing to allocate more funds to improve their online presence. That's why I expect Lightspeed's upcoming earnings event to rebuild investors' confidence and drive its stock higher.

BlackBerry stock

The shares of another Canadian enterprise software company — **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) — came under pressure in the first week of May. It has lost over 7% after rising by 3% last month.

Despite its recent losses, I consider BlackBerry stock to be one of the best Canadian tech stocks to buy now due to its focus on developing the technology for the future of the automobile industry. Apart from its partnership with **Amazon** Web Services and **Baidu** in this regard, the Swedish automobile

giant **Volvo Group** in April [selected](#) BlackBerry QNX operating system for its heavy-duty vehicles. Volvo plans to use BB's operating system for the main domain controller electronic control units in over 300,000 heavy vehicles each year.

This development comes as another milestone in BlackBerry's fast-expanding market share in the automobile sector.

In the quarter ended February 2021, the Waterloo-based tech firm's pre-tax profit rose by 39% sequentially. But its adjusted net profits fell short of analysts' consensus estimate. I expect BlackBerry's financials to significantly improve in the coming years, as it continues to gain a higher market share in the electric and autonomous vehicle market.

Long-term investors can take advantage of the ongoing dip in BlackBerry stock to buy it cheaper this month.

Foolish takeaway

I expect the ongoing correction in the technology sector amid the ongoing market rally to be temporary. My expectations could especially turn out to be true for fundamentally strong tech stocks like Lightspeed and BlackBerry. Both of these enterprise software companies have the opportunity to exponentially grow their business in the post-pandemic world, as more companies have now understood the importance of having a good online presence. And these tech companies help businesses do that more securely and efficiently. That's why you may want to add these to tech stocks to your portfolio right now.

CATEGORY

1. Investing
2. Tech Stocks

POST TAG

1. Editor's Choice

TICKERS GLOBAL

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2. NYSE:LSPD (Lightspeed Commerce)
3. TSX:BB (BlackBerry)
4. TSX:LSPD (Lightspeed Commerce)

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