



Tech Correction: These 3 Canadian Stocks Are on Sale

Description

The past month has witnessed a pronounced correction in tech stocks. Since April 26, the **NASDAQ** has declined 4.3%, led by “hype” stocks that saw massive gains during the pandemic.

In this environment, it may be tempting to sell out of tech stocks. But history shows that it's not the right course of action. Historically, it's best to buy stocks when they're down because it's at precisely those moments that they have the most room to grow. With that in mind, here are three Canadian tech stocks that are on sale in May.

Shopify

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) is currently Canada's largest company by market cap. It's a tech stock that has risen more than 4,118% since its Initial Public Offering (IPO) in 2015.

Shopify was one of Canada's [best-performing companies in 2020](#). That year, it grew revenue by 86% and posted positive GAAP earnings. The COVID-19 pandemic actually *benefitted* Shopify instead of hurting it. As an eCommerce company, it provided the infrastructure for online stores, which consumers flocked to when retailers were forced to shut down. That led to an extreme, sudden surge in revenue, sending Shopify's stock soaring for much of the year. However, it began to decline this year thanks to the sector-wide selloff in tech stocks. As a result, you can now buy stock in one of Canada's fastest growing companies for cheaper than you could in January.

Lightspeed POS

Lightspeed POS Inc ([TSX:LSPD](#))([NYSE:LSPD](#)) is a retail POS company. It also offers eCommerce software. Like Shopify, it got a big sales boost in 2020 thanks to the surge in online shopping. Before the start of the pandemic, the company had branched out into eCommerce platform software, which proved a big help when the pandemic closed down brick and mortar businesses.

Thanks to the shift to online shopping, LSPD saw its eCommerce [transaction volume rise 400% year over year](#)

. It was a huge success, thereby contributing to the company's 56% overall revenue growth. Lightspeed could easily keep up the momentum when the pandemic is over, as its core retail POS offering is ready to profit from the return to a new normal.

Docebo

Docebo ([TSX:DCBO](#))([NASDAQ:DCBO](#)) is a Canadian tech company that went public just last year. Since then, it has risen 350% in the markets. A big part of DCBO's success last year was being in the right place at the right time. The company provides e-learning software that enables companies to create online training modules. That became extremely important in 2020, when many workplaces were forced to close down and move to remote learning.

When people can't work in the office, they can't train employees in the office either. So online training becomes necessary. That happened last year, which enabled DCBO to pick up some huge enterprise clients like **Wal-Mart** and AWS.

Due to the timeliness of its core product offering, DCBO had a great year last year. But since the start of this year, the stock has declined 21%. So, you can buy shares in a fast growing tech innovator for cheaper than you could at the start of the year.

CATEGORY

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2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. NYSE:LSPD (Lightspeed Commerce)
3. NYSE:SHOP (Shopify Inc.)
4. TSX:DCBO (Docebo Inc.)
5. TSX:LSPD (Lightspeed Commerce)
6. TSX:SHOP (Shopify Inc.)

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