



4 of the Best Tech Stocks to Buy Right Now

Description

Investors shunned tech stocks at the beginning of this year due to their premium valuations and expected normalization in demand due to the easing of lockdown measures and economic reopening. However, tech stocks are back in the limelight and are gaining steam, as reflected through the appreciation in their value.

With that in the background, I'm bullish on four TSX-listed tech stocks that are fundamentally strong and have multiple growth catalysts. These tech companies have delivered sky-high returns on the back of their stellar financial and operating performances in the past. Looking ahead, I expect the momentum to sustain and see stellar growth in these stocks.

Lightspeed

Lightspeed POS ([TSX:LSPD](#))([NYSE:LSPD](#)) is one of my favourite [tech stocks](#) listed on the TSX. It has gained about 193% in one year and is up about 20% in one month. I am bullish on Lightspeed and see further upside in its stock, thanks to its positive secular trends. In addition, a growing customer base, product innovation, and expansion in high-growth markets will likely drive its stock higher.

I believe the spending on omnichannel platforms is likely to remain elevated, even after the reopening of the economy. Moreover, the recurring subscription and transaction-based revenues, strategic acquisitions, and higher demand for its commerce-enabling platform should support its stellar revenue growth. Further, the growing adoption of multiple modules by its customers is likely to increase its average revenue per user and support margins in the long run.

Shopify

Irrespective of its premium valuation, **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) is a must-have tech stock in your portfolio. It has delivered mind-boggling returns in the past and remains on track to make its investors very rich in the coming years, thanks to the continued shift towards e-commerce platforms and increased spending.

Shopify's robust fulfillment network, growing payments solutions offerings, and improved operating leverage augur well for growth. Meanwhile, the launch of high-value products, growing global footprint, and high-growth sales channels are likely to drive its merchant base. In addition, the recently expanded partnerships with **Facebook** and **Alphabet's** Google could further accelerate its growth rate and push its stock higher.

Enghouse Systems

Enghouse Systems ([TSX:ENGH](#)) has consistently delivered double-digit revenues and earnings growth over the past five years, which has driven its stock higher. Furthermore, its solid capital-allocation strategy, zero-debt balance sheet, and stable operating cash flows position it well to continue to deliver stellar shareholders' returns in the coming years.

Despite the economic reopening, I expect the demand for Enghouse's products and services to remain high. Meanwhile, the continued momentum in its base business, low valuation, and strategic acquisitions will likely support the uptick in its stock in the coming years.

Dye & Durham

Dye & Durham ([TSX:DND](#)) is another [high-growth tech stock](#) poised to deliver stellar returns in the long run. Its stock returned nearly 232% since it was publicly listed on the TSX last year. I expect Dye & Durham stock to continue to trend higher, reflecting its solid customer base, highly diversified revenues, growing adjusted EBITDA, and robust organic and inorganic growth opportunities.

I believe the company's continued growth in the base business, global international footprint, robust acquisition pipeline, and long-term contracts should continue to support its revenue and adjusted EBITDA growth and drive its stock higher.

CATEGORY

1. Coronavirus
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:DND (Dye & Durham Limited)
4. TSX:ENGH (Enghouse Systems Ltd.)
5. TSX:LSPD (Lightspeed Commerce)
6. TSX:SHOP (Shopify Inc.)

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