



2 of the Best TSX Tech Stocks to Buy Today and Hold Forever

Description

Investing in fundamentally strong tech stocks has always been one of the best ways for stock investors to multiply their money in a short period of time. While most Canadian stocks listed on the **Toronto Stock Exchange** have staged a massive rally in the first half of 2021, some tech stocks [haven't seen much appreciation](#). I expect the shares of such technology companies to soar in the second half of the year and yield handsome returns.

Here are two such TSX tech stocks that investors can buy today, as they might stage a big rally in the rest of 2021.

Shopify stock

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) has yielded phenomenal returns since it was listed on TSX in 2015. In the last five years, the stock has yielded outstanding returns of 4,864%. Interestingly, SHOP stock rewarded investors with 174% and 178% positive returns in 2019 and 2020, respectively. However, it's currently trading with only 28% year-to-date gains.

The ongoing trend in Shopify's fundamentals continues to be absolutely strong. The Ottawa-based tech company registered a 958% YoY (year-over-year) rise in its Q1 adjusted earnings to US\$2.01 per share. These earnings crushed analysts' consensus estimates as they were about 167% higher than their expectation of US\$0.75 per share. In addition, Shopify's sales rose by 110% YoY during the March quarter to US\$988.6 million.

While its sales growth rate might slow down a bit in the coming quarters, it still would be much higher than most of its peers, I believe. This is because many businesses that joined Shopify's platform during the pandemic period might continue to stick with it, even in the post-pandemic world. So, you may want to buy SHOP stock today before it starts rallying again.

Lightspeed POS stock

Just like Shopify, **Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)) is another great TSX tech stock that posted solid returns in 2020 amid strong business growth. Notably, LSPD stock rose by 149% in 2020. However, it's still trading with only 19.5% year-to-date gains compared to a 15.6% rise in the TSX Composite Index.

After registering a stunning 84% rise in its revenues in the fiscal year 2021, analysts expect Lightspeed's sales to more than double in the ongoing fiscal year to US\$453 million with a gross margin of about 53.8%.

In the March quarter, Lightspeed's software and payments segment sales rose by 137% YoY to US\$31.8 million — boosting its total revenues. The company experienced [strong demand](#) from all its key markets during the quarter — partly due to the improving hospitality market and the start of the economic reopening process in Europe. As more developed countries continue to reopen, the demand for Lightspeed's services is likely to strengthen further in the coming quarters, in my opinion.

Final thoughts

While it may look easy to make money from the stock market from the outside, it might not be as easy as it looks. To get handsome returns on your investment, you might have to buy the right stocks at the right time. Shopify and Lightspeed stocks haven't seen much appreciation this year so far. That's why it could be the right time to buy these amazing Canadian tech stocks today and hold them as long as you want.

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2. NYSE:SHOP (Shopify Inc.)
3. TSX:LSPD (Lightspeed Commerce)
4. TSX:SHOP (Shopify Inc.)

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