



5 Canadian Tech Stocks to Buy and Hold for a Decade

Description

Technology is taking over the world. It has made everyone from an individual to an organization efficient through effective delegation of work. You can do a number of things sitting at home, from shopping to learning to banking. But there is a whole ecosystem of hundreds of companies and millions of people that make it possible. Even if you are not a tech-savvy person, the fact that you are reading this article on the digital platform shows that technology is everywhere.

Here I bring five Canadian [technology stocks](#) that have become a necessity more than an option of the new age world. To get a wholesome exposure to tech, diversify in software, hardware, (information technology) IT services, and IT infrastructure.

Lightspeed stock

Starting with software, one of the many platforms that are seeing growing adoption is **Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)). I didn't include other platforms as they are still in hyper-growth mode and too risky to hold for a decade. As for Lightspeed, it has become sticky and is being widely adopted by retailers and restaurants worldwide.

Lightspeed is acquiring its competitors to cater to the fragmented market of small and medium-sized merchants. It wants to become the [Android of omnichannel](#) solutions. Hence, it is not targeting large enterprises as they need customized platforms. This kind of model is volume-based and enjoys market share in the mass market.

The way Lightspeed is progressing, it could reach its goal within the next 10 years. The stock has surged over 400% since March 2019 and can give you strong growth.

Descartes Systems

Descartes Systems ([TSX:DSG](#))([NASDAQ:DSGX](#)) works at the backend and ensures your e-commerce orders reach your doorstep or your travel plans go as scheduled. It provides cloud-based supply chain management (SCM) and logistics solutions. The globalization and increasing trade complexities will make SCM solutions sticky.

Allied Market Research [expects](#) the SCM market to increase at a compounded annual growth rate (CAGR) of 11.2% from 2020 to 2027. Descartes is the seventh-largest SCM solutions provider with enough scope to tap both market growth and market share. The stock has surged 250% in the last five years and could continue growing over the next 10 years.

Sierra Wireless stock

Sierra Wireless ([TSX:SW](#))([NASDAQ:SWIR](#)) provides device-to-cloud internet of things (IoT) solutions like cellular modules, software, and network services. The company will be a key beneficiary from the IoT device proliferation led by the 5G rollout.

The last five years were low for the IoT chip industry as device proliferation was slow to pick up. Hence, Sierra Wireless stock was flat in the last five years. But the company has been restructuring since 2018, and it is time to bear the fruits.

During the early stages of the 4G rollout between 2010 and 2015, Sierra Wireless stock surged almost 300%. The stock could see similar growth in the 5G rollout. It has already surged over 80% since May 2020 and has the potential to grow further.

CGI Group

After the hardware and software solutions, the next area of tech is IT and business process services. In Canada, **CGI Group** ([TSX:GIB.A](#))([NYSE:GIB](#)) is a leading provider of digitization solutions as its services are used by financial services, retail, healthcare, and many more.

The company enjoys long-term contracts, which ensures stable cash flows. Between 2016 and 2020, CGI's revenue and adjusted EBIT surged at a compound annual growth rate (CAGR) of 2.7% and 3.6%, respectively.

The pandemic has opened digitization doors even to those companies that were reluctant to adopt the technology. I expect this change to accelerate CGI's growth rate in the coming years. CGI stock has surged over 90% in the last five years and can deliver stable growth in the next 10 years.

Hive stock

The most speculative tech stock is **Hive Blockchain Technologies** ([TSXV:HIVE](#)). It derives most of its value from Bitcoin and Ethereum. But the company is now exploring new applications for blockchain technology.

Despite losing 60% valuation this year, Hive stock has surged 2,800% in the last five years, that too at a time when crypto is not prevalent. You can only imagine the growth possibilities if blockchain becomes the new normal.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:DSGX (Descartes Systems Group)
2. NASDAQ:SWIR (Sierra Wireless)
3. NYSE:GIB (CGI Group Inc.)
4. NYSE:LSPD (Lightspeed Commerce)
5. TSX:DSG (The Descartes Systems Group Inc)
6. TSX:GIB.A (CGI)
7. TSX:LSPD (Lightspeed Commerce)
8. TSX:SW (Sierra Wireless)
9. TSXV:HIVE (Hive Blockchain Technologies)

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