



1 Top TSX Tech Stock to Load Up on Right Now

Description

Investing in [technology stocks](#) isn't as easy as it looks. Indeed, today, there's a divergence showing up among various growth stocks. Some are continuing to outperform, while others are struggling amid a rather bearish outlook right now for interest rates and the Delta variant. However, one tech stock I've got my eye on right now is **TMX Group** ([TSX:X](#)).

TMX is the parent company of the Toronto Stock Exchange. Accordingly, this company's financial picture has become brighter in recent years, as more companies list on the exchange and undertake equity issuances.

Let's dive into why this is a top tech stock that should be on every investor's radar right now.

Key catalyst remain strong for this tech stock

On a year-to-date basis, TMX stock is looking very strong. Earlier this month, the company closed near an [all-time high](#), as investors piled into this trade. The company posted revenue and earnings well above analyst expectations. Accordingly, the outlook remains strong for this tech stock.

These stronger-than-expected top- and bottom-line results were driven by a surge in issuances. Over 90 issuers have listed during the company's first quarter, and continued activity through the second quarter cemented the thesis on TMX stock. Revenues coming from capital formation surged 44% year over year. These numbers have remained strong, and many expect continued outperformance from TMX over the medium term.

That said, risks do exist. If the market turns over as a result of Fed tapering and higher interest rates, perhaps these catalysts will dissipate. Time will tell. However, for now, TMX looks well positioned to maintain its standing as a high-margin growth stock in today's otherwise overvalued market.

Bottom line

I think TMX is well positioned for growth over the medium term. The company has announced its intention to take over TradeSignal GmbH to expand the company's presence in Europe. This move could prove to be a transformative deal for investors.

Again, time will tell how things turn out for TMX Group. However, I like the company's fundamentals and the safety this growth stock provides relative to its peers. This is a tech stock providing the right mix of growth and defensiveness simultaneously.

Accordingly, I view this top TSX tech stock as one long-term investors should consider. After all, it's hard to find a company like TMX with strong fundamentals, a clean balance sheet, and plenty of runway for growth. This is a stock that isn't cheap but is fairly valued due to the company's data analytics and listing businesses.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. TSX:X (TMX Group)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. chrismacdonald
2. kduncombe

Category

1. Investing
2. Tech Stocks

Date

2025/06/27

Date Created

2021/08/19

Author

chrismacdonald

default watermark

default watermark