



Millennials: 2 Tech Stocks That Could Make You a Millionaire

Description

The behaviour of millennial investors has become a topic of interest among researchers in recent years. This demographic is now the largest in North America. That means that millennials will have an opportunity to shape market behaviour in the years and decades to come. Like their older peers, this younger demographic should look to invest early and maximize their potential returns over the long term. Today, I want to look at [two tech stocks](#) that have attractive potential. Let's dive in.

Millennials should seek out exposure to a space that is booming in Canada

In October 2020, I'd looked at [three TSX stocks](#) that millennials could target. **Kinaxis** was one of the tech stocks I'd looked at. This company provides supply chain and operations planning software to a worldwide client base. Companies like Kinaxis have thrust Canada into a leadership role in this new space. **Descartes Systems Group** ([TSX:DSG](#))([NASDAQ:DSGX](#)) is another tech stock to watch. This company provides cloud-based logistics and supply chain management business process solutions.

Shares of Descartes have climbed 29% in 2021 as of close on August 24. The tech stock has bounced back from a sharp decline in May. In Q1 fiscal 2021, the company reported revenue growth of 18% to \$98.8 million. Meanwhile, cash provided by operating activities increased 49% to \$40.9 million. Moreover, adjusted EBITDA climbed 26% to \$41.5 million.

Investors can expect to see Descartes's next batch of results on September 8. This is a stock that has delivered strong earnings growth. Moreover, the company also boasts an immaculate balance sheet. Millennials should look to stash this under-the-radar tech stock right now.

One tech stock that is worth buying on the dip

Enghouse Systems ([TSX:ENGH](#)) is the second tech stock I want to look at for millennial investors today. This Markham-based company develops enterprise software solutions around the world. Shares

of this tech stock have dropped 2.9% in the year-to-date period. The stock has plunged 18% year over year.

Back in January 2018, I'd [suggested](#) that investors millennial or otherwise look to snatch up Enghouse. In the second quarter of 2021, Enghouse saw revenue drip marginally from the records it posted in the previous year. Meanwhile, net income suffered a similar decline. Investors can expect to see its third-quarter fiscal 2021 results in early September.

Enghouse has continued to generate positive cash flows in successive quarters. The company suffered a small dip in revenue due to its record-breaking performance in the first half of 2020. This fact should thrust millennial investors back into Enghouse's orbit. Indeed, the tech stock is trading in attractive value territory relative to its industry peers. Moreover, the stock offers a quarterly dividend of \$0.16 per share. That represents a 1% yield.

The technology sector has continued to reward investors to kick off the 2020s. Millennials have the benefit of a long time horizon. This should drive them to snatch up tech stocks like Descartes and Enghouse for the long haul.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NASDAQ:DSGX (Descartes Systems Group)
2. TSX:DSG (The Descartes Systems Group Inc)
3. TSX:ENGH (Enghouse Systems Ltd.)

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