Forget Lightspeed Stock: 1 Tech Stock Making a Major Comeback

Description

Lightspeed Commerce (TSX:LSPD)(NYSE:LSPD) is a great stock — don't get me wrong. Lightspeed stock has had an insane year, growing 220% from where it was just a year ago. As of writing, you can pick up the stock for $148. A year ago, those shares were just $40! The company has been making major acquisitions that have led to strong revenue growth, and that looks to be getting stronger by the minute.

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But there's another stock that's seeing just as much growth after a major disruption. While Lightspeed stock was on a tear, this stock all but collapsed. Yet it's unclear why. Lightspeed stock was in the burgeoning industry of e-commerce, and this stock provided supply chain solutions through its artificial intelligence network.

But now, that's all changing. Lightspeed stock is starting to slow, but this stock is just gearing up. That stock? **Kinaxis** (TSX:KXS).

Remember Kinaxis?

If you don't, that's all right. I'll give you a refresher. Kinaxis stock provides supply chain operations through its cloud-based subscription software. It's available around the world, taking on enterprise level clients, with not one company taking up more than 5% of its portfolio. Each client signs on for years with the company, providing it with strong and stable revenue. Shares absolutely skyrocketed during the pandemic, flying to all-time highs back in August of 2020. However, there was then a tech pullback, as news of a vaccine was on the way, and fear got in the way of profit.

In the last year, shares in Kinaxis stock are only up 6%; that's nothing compared to Lightspeed stock and its 220% growth. But since June 2021, Kinaxis shares are up 50%! In comparison, Lightspeed stock is up 77%, so it's definitely catching up. In fact, in the last month, both are up about 20%.

What happened?

Kinaxis stock made a few moves over the last month that gained investor interest once more. First, there was the earnings report, which saw subscription revenue rise 18% year over year. Annual recurring revenue is now 24% higher than where it was last year. It now expects 2021 revenue to be between US$242 and US$247 million, representing between 17% and 20% year-over-year growth.

Then Kinaxis stock came out with another major announcement. The company is moving beyond COVID-19 the same way Big Pharma is: identifying the next big healthcare drug. And everyone flocks to finding cures for cancer. Kinaxis stock will be partnering with Exelixis to provide supply-chain management for its cancer drug portfolio.

Foolish takeaway

So, Kinaxis stock is now in its planning stage for the future, whereas Lightspeed stock is living it. Again, I'm not saying Lightspeed stock is a bad investment. Far from it. But right now, there is an opportunity for Motley Fool investors on the TSX today. Shares have passed the $200 mark, so a pullback would create an excellent opportunity to buy this stock. With stable revenue set to increase, and acquisitions continuing again and again, this is a strong stock that will see Motley Fool investors through decades of growth. I'm not sure the same can be said for Lightspeed stock.

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Date

2025/08/15
Date Created
2021/09/10
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