



Tech Crash: 2 Discounted Tech Stocks to Buy in December

Description

The Canadian stock market has come crashing down over the past two weeks. The **S&P/TSX Composite Index** is down more than 5% from all-time highs set less than one month ago. Still, the index is up close to 20% this year.

High-valued tech stocks have been some of the hardest-hit companies over the past several weeks. [Tech companies](#) led the way for growth investors in 2020, but it's been a different story this year. Even with the market up big in 2021, there are still plenty of tech stocks trading well below all-time highs.

At the top of my watch list in December are two market-leading tech stocks trading at [opportunistic discounts](#). I'm a shareholder of both of these companies already but will likely be adding to my positions before the end of the year.

In the short term, it's hard to predict if tech stocks will continue spiraling. Over the long term, though, I strongly believe that these two companies will continue to deliver [market-crushing returns](#).

Tech stock #1: Lightspeed Commerce

Of the two tech stocks, **Lightspeed Commerce** ([TSX:LSPD](#))([NYSE:LSPD](#)) is trading much further from all-time highs.

Shares are down more than 60% from all-time highs set fewer than three months ago. A short-report in September followed by unimpressive quarterly results released in early November has taken a huge hit on the tech stock.

For long-term investors, there are still a lot of reasons to be bullish on Lightspeed. Through both organic growth and acquisitions, the \$9 billion company is continuing to grow quarterly revenue at a torrid rate. The company's expanding product line and geographic presence are two main reasons why I'm betting that revenue growth is nowhere near slowing down.

Down more than 60% from all-time highs and trading at a much more reasonable price-to-sales (P/S)

ratio below 20, this is certainly not a value trap in my books. I'll be looking to add to my current position in the coming weeks.

Tech stock #2: Shopify

With shares of **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) down 15% from all-time highs, now's the time to be loading up on Canada's largest company.

At a P/S ratio above 40, it's still far from cheap from a valuation perspective, but this tech has never been a cheap publicly traded company. Ever since it joined the **TSX** in 2015, it's been richly valued. Its steep price tag has led to a lot of volatility for Shopify shareholders, but patient investors have been well rewarded.

If you're in search of multi-bagger gains, I'd choose Lightspeed over Shopify. Shopify's market cap size alone makes it very difficult to continue to grow at a rate as it has in recent years. That being said, there's no reason at all to believe why Shopify will begin lagging behind the market's returns anytime soon.

Shopify is a global leader in the growing e-commerce space. Even at its massive size, the tech stock is still managing to grow quarterly revenue at an incredibly impressive rate. That partly explains why shares are still trading at a premium. Investors continue to have a lot of expectations for this tech giant.

If you're in search of a dependable market-beating tech stock, Shopify is a perfect choice. At these price levels, it's going to be a volatile ride. But for patient investors, there are a lot of reasons to remain bullish on this e-commerce leader.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

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

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