



## Why Dye & Durham (TSX:DND) Stock Surged 12% Tuesday

### Description

### What happened?

The shares of **Dye & Durham** ([TSX:DND](#)) jumped by about 12% Tuesday morning to \$47.16 per share, marking its second consecutive day of sharp gains. The stock [ended](#) the last session with 9.3% advances. With this, DND stock has already risen more than 20% in the first two days of the week.

### So what?

Dye & Durham is a Toronto-based tech firm that primarily focuses on providing cloud-based software and technology solutions. It currently has a [market cap](#) of about \$2.9 billion.

Yesterday, the company [revealed](#) that it has acquired **Telus's** financial solutions business in a deal worth \$500 million. This deal is likely to help it expand its business across Canada by enhancing its digital infrastructure and technology offerings for the financial community. This is one of the key reasons that drove DND stock higher by more than 9% yesterday.

Earlier today, Dye & Durham, in another press release, provided its upbeat fiscal 2023 outlook. For the fiscal year, the tech firm expects a minimum of \$350 million in adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization). This expectation was notably higher than Street analysts' expectation of \$312.5 million. The news of its much better than expected 2023 EBITDA guidance added optimism and drove another sharp rally in DND stock today.

### Now what?

Dye & Durham has posted stellar financial growth in the last few quarters. In the latest quarter ended in September 2021, the company's adjusted earnings rose by 149% year over year to \$0.18 per share with the help of a massive jump of about 414% in its total revenue. Its consistently expanding business with the help of new acquisitions is likely to accelerate its financial growth further in the coming years.

Despite these impressive financial growth trends and a strong outlook, DND stock is still trading within the negative territory on a year-to-date basis. That's one of the reasons why I find this Canadian tech stock cheap and worth buying now for the long term.

## CATEGORY

1. Investing
2. Tech Stocks

## TICKERS GLOBAL

1. TSX:DND (Dye & Durham Limited)

## 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. jparashar
2. kduncombe

## Category

1. Investing
2. Tech Stocks

## Date

2025/08/22

## Date Created

2021/12/07

## Author

jparashar

default watermark

default watermark