



3 Tech Stocks to Grow Your Way to Retirement

Description

Tech stocks are sometimes thought of as a young person's game. Younger people can get in on the risk with decades of time to make it all back. But those seeking retirement? No way, it's much too risky. Right?

Wrong. My father is an undisclosed-age-above-65 and still buys into tech stocks in retirement. Why? Because that growth can seriously help fund his lifestyle. And believe me, my dad has a lifestyle anyone would want.

But here's the kicker. You don't have to take on risk if you want to get into tech stocks. In fact, in retirement you want something that is supposed to grow steadily. And there are certainly those available in the tech industry, with now being a great time to buy during the tech pullback.

So let's look at three solid options.

Shopify

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) continues to trade near 52-week lows during this tech pullback. But there's an extra nudge downwards coming from developers after an algorithm change. While you can read about it more [here](#), the main point is developers paying for ad space now see their competitors at the bottom of their application's page on Shopify. Competitors *not* paying for that same ad space.

Still, once this situation is sorted out it's clear Shopify will be back on track. Its fulfillment centres have been practically paying for themselves during the e-commerce boom that hasn't slowed down. And while revenue growth year over year is now in the double rather than triple-digits, that shows signs of stability long-term investors should love.

But with this pullback in tech stocks, you can now get in on major growth in the next year. Analysts predict a share price of about \$2,000 as of writing. That's a potential upside of 48% if you bought right now.

Constellation Software

Now if you're willing to pay for Shopify, you should also be willing to buy **Constellation Software** ([TSX:CSU](#)) in bulk. This company came on scene among tech stocks decades ago. It has since created a solid foundation of growing through acquisitions of software companies.

This has led to solid and stable growth, up 31% in the last year alone and 241% in the last five years! Still, it has also succumbed to the pullback in tech stocks. It's down 11% from 52-week highs as of writing.

But retirement investors don't need to worry. Again, this provides an opportunity to [jump](#) in on this stock only being affected by the trend to get out of tech stocks. Nothing more. It's a solid purchase for long-term investors who want a boost in the next year. As of writing, analysts predict an upside of 14% in the next year.

goeasy

Finally, another company that's found a solid growth path is **goeasy** ([TSX:GSY](#)). The company provides leasing and lending services, and is similar to Constellation in its [growth](#) through acquisition. It too has been around for decades, changing far and away from its start as a home appliance lending services.

The company has originated \$7.2 billion in loans throughout its history, and continues to grow organically and through acquisition. However, it recently surpassed \$2 billion in loans for 2021. Revenue grew 60% year over year during the last quarter, with no signs of this company slowing down.

And yet goeasy is a steal among tech stocks. It's up 72% in the last year but still trades at just 10.84 times earnings from all this loan growth. You get a nice 1.61% dividend yield as of writing, with a potential upside of 32% as of writing.

Bottom line

Tech stocks aren't just for the new kids on the investment block. Retirees can use this opportunity to boost their portfolios, and still buy solid companies in the process. Sure, people are taking returns while they can. But that's left a situation that any investor should want to take advantage of for the next few years.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:CSU (Constellation Software Inc.)
3. TSX:GSY (goeasy Ltd.)
4. TSX:SHOP (Shopify Inc.)

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