



## 1 Tech Stock That's Still Strong, Even During Today's Market Correction

### Description

Today's market correction has been especially hard for tech stocks. But there is one tech stock that, although not immune, continues to be stronger than the rest. That stock, is **Constellation Software** ([TSX:CSU](#)).

Constellation stock has a strong business model that's seen it grow steadily, not just during the past few turbulent years, but for decades. And now is a great time to get hold of a [stake](#) before the market increases again. Let's go over a few reasons why this could be the best tech stock on the **TSX** today.

### The business model

Constellation stock has grown over the past few decades to be *the* acquisition play of all the tech stock companies. Growing 8,375% over the past 15 years, it's become a machine whose employees know exactly what software-as-a-service companies are worth investing in.

The tech stock and its subsidiaries acquire, build, and manage software business around the world, both in the public and private sector. And it's proven time and again that any downturn will be returned multiple times over. And that includes today.

### Analysts agree

Today's painful selloff is a buying opportunity for this tech stock that analysts don't think you should pass up. Most recently, **CIBC** World Markets analyst Stephanie Price weighed in on the industry, including Constellation stock on the TSX today. Price stated overall, there is an increasing demand for digitization and cloud solutions. That isn't going away, no matter what happens with the pandemic.

"With higher inflation expected to pull forward the timing of key central bank rate hikes, there was downward pressure on the higher-growth technology names at the end of the year, pressure that is likely to continue into 2022," said Price. "Further, many of the individual equities whose share prices benefitted most from the pandemic in 2020 were tech names that experienced some level of price

correction in 2021.”

But that leaves an opportunity for investors on the TSX today. In fact, Price [increased](#) her target price for the tech stock from \$2,400 to \$2,900, maintaining an outperformer rating. That’s a potential upside of 43% as of writing!

## Bottom line

Constellation stock is the tech stock everyone should have in their portfolio, if they can afford it. It’s been a solid growth stock over the last decade or more, and that’s not likely to change. Further, it has substantial cash on hand that should help during this downturn. Now is a great opportunity for mergers and acquisitions, and that’s where the company thrives.

So, while earnings may suffer in the short term, [in the long term](#), Constellation has solid fundamentals and a business plan that can stand the test of time. If you’re looking for a deal, this tech stock is definitely the one I’d buy hand over fist — especially if you’re an investor on the TSX today looking for a long-term option in your growth portfolio.

Constellation stock trades at \$2,030 as of writing, with a consensus target price of \$2,500. That’s a potential upside of 23% as of writing.

### CATEGORY

1. Investing
2. Tech Stocks

### TICKERS GLOBAL

1. TSX:CSU (Constellation Software Inc.)

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