



2 Battered Tech Stocks to Have on Your Radar in March

Description

[Investing in technology](#) became one of the biggest trends for Canadian stock market investors as the pandemic accelerated growth for many high-quality firms in the industry. However, the latter part of 2021 saw a sell-off in the tech sector that started a downward trend across the entire industry.

As we enter March 2022, the tech sell-off does not seem like it will let up any time soon. Many high-quality tech stocks saw their considerable returns in 2020 and 2021 erased in a few months. Speculations about tightening policies, interest rate hikes amid [rising inflation](#), and geopolitical tensions have intensified the downward trend.

If you are an investor with a low tolerance for risk, you might not want to foray into the tech industry until things seem like they will settle down. However, long-term investors with an eye for value stocks could see this as an opportunity to buy shares of high-quality companies for a bargain.

Today, I will highlight two such stocks that are at least worth having on your radar, if not in your portfolio for this purpose.

BlackBerry

BlackBerry Ltd. ([TSX:BB](#))([NYSE:BB](#)) is a name that most people fondly remember as one of the pioneering phone manufacturers. After failing to keep up with manufacturers that capitalized on the latest smartphone technology, BlackBerry seemingly disappeared from public view.

While it has introduced a few smartphones over the years, the company's days as one of the top players in this market have ended. But that does not mean BlackBerry is down and out.

The company has since moved on to other business verticals, particularly in providing cybersecurity solutions. The Waterloo-based \$4.95 billion market capitalization software company now specializes in advanced AI and machine learning-based cybersecurity solutions designed to help enterprises protect their data from online threats.

Sharp growth in its cybersecurity business has combined with its increasing focus on developing advanced solutions for futuristic vehicles through its QNX operating systems to position it well for substantial growth in the coming years. At writing, BlackBerry stock trades for \$8.70 per share, down by 54.50% from its June 2021 high. It could be a steal at its current levels.

Dye & Durham

Dye & Durham Ltd. ([TSX:DND](#)) is another beaten-down tech stock that you might want to have on your radar if you're looking for value opportunities in the tech sector. The \$1.98 billion market capitalization firm offers cloud-based software solutions for financial and legal professionals to help them improve their efficiency and increase productivity. Its role in an increasingly digitized world for its customers gives the company immense long-term growth potential.

The company has also focused on making strategic acquisitions to boost its cash flows over the years. Dye & Durham acquired Telus Financial Solutions for \$500 million in December 2021 and is in the process of taking over Australia-based Link Group in a deal purported to be worth \$3.2 billion. These moves could generate a significant revenue boost in the coming months.

However, the broad tech sell-off has not spared DND stock. At writing, Dye & Durham stock trades for \$29.27 per share, down by over 40% from its June 2021 levels. It could be an excellent time to buy this growth stock for a bargain.

Foolish takeaway

A combination of various factors has led to the broad sell-off in tech stocks. Shares of many high-quality companies are down to more reasonable levels, and the positive factors going for them could drive the tech stocks higher as the sell-off eases up. However, [not all tech stocks will offer market-beating returns](#) in the recovery.

It's important to pick up shares of companies that have the potential to deliver strong long-term returns. BlackBerry and DND are two such companies that are well-positioned to deliver long-term returns when the tech industry recovers from the sell-off.

CATEGORY

1. Investing
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1. NYSE:BB (BlackBerry)
2. TSX:BB (BlackBerry)
3. TSX:DND (Dye & Durham Limited)

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