



## The Tech Stock Crash Is Over: Time to Buy 3 Super-Cheap TSX Stocks

### Description

The [tech stock selloff](#) paused after the U.S. Federal Reserve hiked interest rate last week. The Nasdaq Composite Index and **iShares S&P/TSX Capped Information Tech Idx ETF** surged 9.9% and 13%, respectively, last week ahead of the Fed announcement on March 16. I have been writing against buying tech stocks, as the downturn was still ongoing. But the major cause of the downturn, the Fed interest rate uncertainty, is now over. This marks an end to the selloff for some tech stocks.

### Three tech stocks to buy cheap

Even though the Fed rate uncertainty is over, the market is still grappling with high inflation and the Russia-Ukraine war. Commodity and energy stocks are still in the limelight, as sanctions have disrupted the global supply chain. At times like these, choose tech stocks with strong fundamentals. Below are three [tech stocks](#) that can withstand the downturn and earn from the current crisis.

- **Constellation Software** ([TSX:CSU](#))
- **Descartes Systems** ([TSX:DSG](#))([NASDAQ:DSGX](#))
- **Dye & Durham** ([TSX:DND](#))

### Constellation Software

Constellation Software is a venture capital firm of niche software companies. It acquires mission-critical software companies that enjoy stable cash flow and have little competition. The sticky nature of the software secures the cash flow. Constellation further mitigates its risk by diversifying across several verticals and countries. It works as an umbrella company, under which are several companies cater to a particular vertical or service. These companies take up the debt and acquisition cost while Constellation enjoys the shareholding.

Constellation is now [spinning out](#) some of these companies, allowing them to trade on the stock exchange. **Topicus** is its first publicly traded subsidiary. The robust business model of Constellation makes it a must-have in your portfolio. The stock has survived the 2007 financial crisis, the 2018 trade

war, and the pandemic. None of the crises stopped its long-term growth trend.

Constellation stock dipped 13% in the tech stock selloff and surged 5.8% in the last week's rally. It is still trading at a 9% discount from its December 2021 high. This is a good time to buy this stock and hop on to its long-term rally, as the company makes more subsidiaries public.

## Descartes stock

Descartes will benefit from the global supply chain disruption. It provides companies with supply chain management solutions. The western countries have imposed sanctions on Russia in the wake of the war. Aircraft and ships can't cross Russian airspace and sea. This war has had a global impact, as Russia is a major exporter of oil, natural gas, wheat, and fertilizer. Moreover, it is strategically located. Most planes travelling from the western countries to eastern countries have to cross Russia.

All companies involved in trade and supply will have to devise new routes, find new suppliers, and set up a whole new supply chain. That will drive demand for Descartes's solutions. The stock fell 20% in the tech stock selloff and surged 6% in the last week's rally. This is a good time to buy this stock at a 15% discount from its November 2021 high.

## Dye & Durham stock

My third pick is Dye & Durham for its profit margins. The company provides efficiency and productivity solutions to legal and business professionals. Its clientele consists of blue-chip companies, and its strategy is to grow through acquisitions. The company came under fire when it raised the price of its solutions, with its flagship Unity software price up 900%. It is currently facing a class-action lawsuit for violating federal competition laws. This has kept the stock from rising.

But it didn't stop DND from continuing its growth strategy. DND is close to completing its biggest acquisition of Link Group for \$3.2 billion. The Link Group will open Australia and the United Kingdom market for DND and also help it expand in adjacent verticals. I was [bullish](#) on this stock last month, and I still am bullish on it. Although the stock surged 11% in last week's rally, it is still trading at a 37% discount from its December 2021 high. This is a good time to buy the stock while it is still cheap.

### CATEGORY

1. Investing
2. Tech Stocks

### TICKERS GLOBAL

1. NASDAQ:DSGX (Descartes Systems Group)
2. TSX:CSU (Constellation Software Inc.)
3. TSX:DND (Dye & Durham Limited)
4. TSX:DSG (The Descartes Systems Group Inc)

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