



2 of the Best Tech Stocks I'd Buy Amid the Market Correction

Description

The stock market is continuing to slide for the third consecutive month in June. After posting 5.2% losses in April due to rising geopolitical tensions after the Russian invasion of Ukraine, the **TSX Composite Index** largely remained mixed in May. The selloff across sectors, however, has accelerated in the last couple of weeks after the U.S. Federal Reserve stepped up its fight against inflation by raising interest rates at a higher pace. With this, TSX Composite has lost more than 7% of its value this month so far.

The ongoing market correction has also pressurized TSX [tech stocks](#) that were already trading with huge losses before this month's carnage. While extreme market volatility makes buying these tech stocks a bit risky at the moment, they still look really cheap and attractive for long-term investors.

In this article, I'll highlight two of the best tech stocks that TSX investors can buy amid the ongoing market correction.

Dye & Durham stock

Dye & Durham ([TSX: DND](#)) is a Toronto-based tech company that develops cloud-based critical workflow software for law companies, financial institutions, and government organizations. It currently has a market cap of about \$1.5 billion as its stock trades with huge 49% year-to-date losses at \$22.14 per share.

The ongoing growth trend in Dye & Durham's top line looks outstanding, as it continues to focus on expanding its business across the globe with new quality acquisitions. In the March quarter, the tech firm [registered](#) a 78.3% YoY (year-over-year) increase in its total revenue to around \$122.9 million. The realization of revenue synergies from the new acquisitions also boosted its adjusted EBITDA for the quarter by about 78% YoY to \$66.8 million.

In its fiscal year 2022 (ending in June 2022), Street analysts expect the company to report \$0.33 per share in earnings against an adjusted net loss of around \$0.72 per share in the previous fiscal year. Given its solid sales growth trend and strong earnings growth outlook, I find DND stock highly

undervalued amid the ongoing market correction.

Lightspeed stock

Lightspeed Commerce ([TSX:LSPD](#))([NYSE:LSPD](#)) could be another great TSX tech stock to buy for long-term growth investors. Just like Dye & Durham, the shares of this Montréal-based software company have dived by 42% this year to \$28.15 per share, despite its solid sales growth in the last couple of years.

LSPD stock started falling in September 2021 after a New York-based short-seller Spruce Point Capital made several allegations against the Canadian tech company's business practices. This selloff was followed by a tech sector-wide correction, which has made its stock look undervalued.

In its fiscal year 2022 (ended in March), its total revenue jumped by 147% from a year ago to US\$548.4 million as reopening economies boosted the demand for its omnichannel commerce platform. During the quarter, Lightspeed reported an 88% YoY jump in its transaction-based revenue while its subscription revenue also rose by 77%. To accelerate its growth further, the company continues to focus on new product launches and expand the availability of its payment solutions.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. TSX:DND (Dye & Durham Limited)
3. TSX:LSPD (Lightspeed Commerce)

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