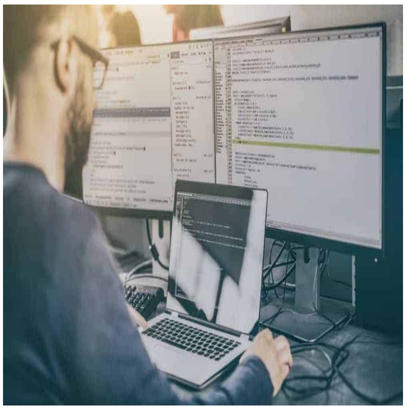

3 Ultra-Cheap Tech Stocks to Consider Buying

Description

Technology isn't the top-performing sector anymore, like in 2020, but it's showing resiliency during the TSX's correction of late. Nearly all of its constituents advanced to start this week. If you want exposure to tech companies and think a rebound is forthcoming, consider buying three stocks trading at ultra-cheap prices.

TELUS International (TSX:TIXT)(NYSE:TIXT), **Tecsys** (TSX:TCS), and **Evertz Technologie** (TSX:ET) have better chances of ending their slumps ahead of their sector's peers. Now is the time to scoop them before the eventual breakouts.

Next-gen digital solutions

TELUS Corp., the controlling shareholder of TELUS International, has high hopes for the company that designs, builds, and delivers next-generation digital solutions. The $7.91 billion TELUS International didn't disappoint, as evidenced by the impressive growth in revenue and net income in Q1 2022.

In the three months ended March 31, 2022, revenue grew 18.61% to US$599 million versus Q1 2021. Net income shot up 1,033.33% year over year to US$34 million. TIXT president and CEO Jeff Puritt said, "Notably, our first-quarter results were achieved through continued strong organic business growth, notwithstanding the meaningfully larger scale of our company today."

Puritt said that besides the Tech and Games vertical, TIXT realized exceptional traction with clients in the e-commerce and Fintech verticals. Unfortunately, the strong financial performance to start 2022 doesn't reflect on the stock's performance. As of this writing, the tech stock ($29.76 per share) is down 28.8% year to date.

Vanessa Kanu, TIXT's CFO, credits the service mix, pricing, and productivity gains for the growing profitability, notwithstanding the current labour market dynamics. As a result, free cash flow and cash provided by operating activities went up 450% and 244% from a year ago.

Dynamic supply chain solutions

Tecsys is a promising high-growth tech stock, because it provides supply chain solutions. The $468.2 million company caters to enterprises in the healthcare and retail sectors. It's products and services also help companies in service parts, third-party logistics, and general wholesale high-volume distribution industries to thrive.

Other dynamic and powerful solutions include warehouse management, distribution & transportation management, supply management at point of use, retail order management, financial management, and analytics solutions. Currently, Tecsys trades at a deep discount (-38.77%). However, at $32.15 per share, the company pays a modest 0.87% dividend.

Niche play

Evertz Technologies is an interesting pick, because it's a niche player in the Software Defined Video Network (SDVN). The tech stock isn't losing year to date (+0.80%), but the current share price of $13.10 is 20.8% lower than its 52-week high of $16.54. Market analysts have a 12-month average price target of $17.08 (+30.38%), but the return potential could be higher because of the generous 5.5% dividend.

In the first three quarters of fiscal 2022 (nine months ended January 31, 2022), revenue and net earnings increased 30.18% and 66.29% versus the same period in fiscal 2021. Evertz looks forward to doing more business with content creators, broadcasters, specialty channels, and television service providers.

Long growth runways

TELUS International, Tecsys, and Evertz Technologies have the potential to deliver far superior returns than the acknowledged tech giants. Their business outlooks are favourable, while the growth runways are long.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NYSE:TIXT (Telus International)
2. TSX:ET (Evertz Technologies Limited)
3. TSX:TCS (Tecsys Inc.)
4. TSX:TIXT (Telus International)

PARTNER-FEEDS

1. Business Insider

2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. cliew
2. kduncombe

Category

1. Investing
2. Tech Stocks

Date
2025/08/15
Date Created
2022/06/23
Author
cliew