



5 Incredibly Strong Signals That This Stock Will Rise in 2022

Description

Only a handful of growth stocks are showing strong signals of a faster recovery in 2022, should the economy fall into a recession. In the [technology sector](#), **Absolute Software** ([TSX:ABST](#))([NASDAQ:ABST](#)) has risen from a slump and is now in positive territory (+2.33% year-to-date).

Based on market analysts' forecasts, the share price could climb between 26% (average) and 55% (high) from \$11.95. The predictions aren't unrealistic when you consider five factors that could spur business growth. Also, would-be investors can realize higher returns, including the stock's 2.68% dividend offer.

1. Resilient cybersecurity is essential

The escalating threat of ransomware and malicious attacks are compelling reasons for enterprises and IT professionals to strengthen their cyber resiliency. Absolute Software provides self-healing endpoint and secure access solutions that deliver resilient zero-trust security for today's distributed workforces.

Its EVP of Product and Strategy, John Herrema, said, "We are laser-focused on delivering product innovations that help our customers close security gaps and ensure the endpoint tools they have invested in remain healthy and working effectively."

The \$609.9 million company can manage and secure data, devices, and applications with an unbreakable connection to every endpoint, on or off-network.

2. Patented technology

Management continues to work with other device manufacturers, independent software vendors, managed service providers, and resellers. Absolute's market share is growing through its patented Persistence technology.

Also, the Application Persistence service helps monitor the health and behaviour of mission-critical

security applications. Automatic repairs or the reinstallation of components don't require human intervention.

3. Growing market share

Absolute offers the only endpoint platform in the world that is embedded in more than 500 million devices. The said platform is factory-embedded in the devices of leading manufacturers such as **Microsoft, Hewlett Packard, Dell, and Verizon**, among others.

4. Record revenue growth

Absolute's adjusted recurring revenue (ARR) is fast rising, as evidenced by solid financial results in Q3 fiscal 2022. While the company reported a net loss of US\$6.5 million during the quarter, its Enterprise and Government ARR of US\$202.9 million was a new record and 68% higher than in Q3 fiscal 2021.

Notably, cash from operating activities increased 142% year-over-year to US\$17 million. Christy Wyatt, Absolute Software's President and CEO, said, "The momentum we are seeing is a direct result of our integrated product strategy resonating with customers and the steady cadence of product innovation we are bringing to market."

5. Evolving endpoint management

According to Forrester Research, endpoint management will evolve substantially over the next five years. Several catalysts will drive growth, especially within anywhere-work workforces. Because of the rapidly growing virtual workforce, many enterprises will need to modernize endpoint management quickly.

The independent research firm recognized Absolute Software's persistent approach to self-healing in its recent Future of Endpoint Management report.

Strongly positioned

Expect Absolute Software to be at the front and center of the evolution of endpoint management. Wyatt adds, "As more organizations adopt a robust endpoint-centric security posture in this next chapter of hybrid work, we are strongly positioned to address their top priorities and challenges with our unique self-healing endpoint and secure access solutions."

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