



Rebound Rockets: 3 TSX Tech Stocks to Buy Before They Soar

Description

For most of the past year, tech stocks have struggled tremendously. Some of the most popular [tech stocks](#) of the past couple years have seen their value decrease by more than 50%. However, tech stocks have started to show signs of a rebound. Today, many excellent tech stocks still trade at massive discounts, but investors have bounces of 20% or more in the past month to lean on. In this article, I'll discuss three **TSX** tech stocks to buy before they soar!

This is my top tech stock

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) has gone from one of the most loved Canadian tech stocks to one of the most polarizing. In the past, Shopify was known for greatly outperforming the market. For example, in the [2020 edition](#) of the TSX30, it was reported that Shopify had generated a return of 1,043% over the past three years. That performance was so great that it was nearly equal to the performances of the next three stocks *combined*.

However, Shopify stock has fallen significantly since November 2021. Today, it trades about 75% lower than its all-time highs. Despite those struggles, I believe that the company has a lot more to give. Over the past five years, its monthly recurring revenue has grown at a compound annual growth rate of 35%. Once consumer spending picks up again, I expect to see an acceleration in Shopify's revenue. One of Canada's greatest tech stocks continues to trade at a massive discount, even after gaining 30% over the past month. Pick this stock up before it soars!

A bet on digital payments

As the e-commerce industry continues to grow, merchants will need to turn to digital payment processors. That's where **Nuvei** ([TSX:NVEI](#))([NASDAQ:NVEI](#)) comes in. This company provides merchants with an omnichannel payments platform. Using its platform, merchants are able to accept online, mobile, in-store, and unattended payments.

Investors may remember a short report that was published in 2021, which contributed to tanking the

stock. What investors may not know is that many analysts seemed to agree that the short report was inaccurate and misleading. Unfortunately for Nuvei, the stock hasn't been able to recover since due to the current economic conditions. However, over the past month, Nuvei stock has risen nearly 16%. I believe that this stock will be much larger by the end of the decade.

A mid-cap stock for your portfolio

Finally, investors should consider buying shares of **Topicus.com** ([TSXV:TOI](#)). In my opinion, investing in this company today would be similar to buying shares of **Constellation Software** in 2010. Like the larger tech stock, Topicus is an acquirer of vertical market software (VMS) businesses. In 2022 alone, Topicus has already acquired more than 20 VMS businesses. This shows that the company is following an aggressive growth strategy and suggests that it could be much larger in a few years' time.

One of the biggest draws when it comes to Topicus stock is the fact that it works very closely with Constellation Software. Instead of seeing it as a competitor, investors should see Constellation Software as an example of what Topicus could be in the future. Until February 2021, Topicus was a subsidiary of the larger tech stock. Today, Constellation Software helps guide Topicus on its mission to become Canada's next great tech stock. Six members of Topicus's board of directors are executives from Constellation Software.

CATEGORY

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2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:NVEI (Nuvei Corporation)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:NVEI (Nuvei Corporation)
4. TSX:SHOP (Shopify Inc.)
5. TSXV:TOI (Topicus.Com Inc.)

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Date

2025/08/17

Date Created

2022/08/15

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