



1 Surprising Stock That Has Survived the Market Selloff

Description

After surging close to 10% over the past two months, the **S&P/TSX Composite Index** is nearing positive territory. But despite the market's recent gains, there are plenty of TSX stocks trading at massive discounts today.

The [tech sector](#) in particular has been hit hard in 2022. It's painfully easy to find a tech stock down more than 50% this year. Many are trading at losses even more than that dating back to all-time highs set in the tech sector's peak in late 2021.

While it's been a rough year in general for stock investors, not all companies have posted a loss in 2022. There's been a few bright spots on the TSX for Canadian investors this year.

I've reviewed one under-the-radar tech stock that's up close to 10% year to date. And with loads of growth potential still in front of it, long-term investors would be wise to have this company on their watch list right now.

Absolute Software

At a market cap of under \$1 billion, **Absolute Software** ([TSX:ABST](#)) is understandably not a household name amongst most investors. But considering the tech company's track record of market-beating gains, Absolute Software deserves a spot in any long-term investor's portfolio.

Over the past five years, shares are up more than 75% return. In comparison, the broader Canadian stock market has returned less than 30%. And with loads of market-beating growth potential still in front of the company, I wouldn't bet on Absolute Software to begin trailing the market's returns anytime soon.

The [cybersecurity](#) company specializes in endpoint and zero-trust security. Endpoint security involves protecting the entry of everyday tech hardware, which includes laptops, desktops, and mobile devices. Zero-trust security focuses on authentication; validating users before granting access to applications and data.

Riding the wave of cybersecurity

Cybersecurity is one industry that I'm hugely bullish on in the coming decades. As a shareholder of three market-leading U.S. cybersecurity stocks already, I'm looking to add Absolute Software to my portfolio before the end of the year. My cybersecurity basket is due for some Canadian exposure.

As reported by the Identity Theft Resource Center, 2021 set a new record of data breaches. And unfortunately, there isn't much data to lead us to believe that we won't continue to see a rise in cybercrime.

The fact is that the world is becoming increasingly more digitized, which is why companies like Absolute Software are in prime positions to see demand soar in the coming years.

Foolish bottom line

Absolute Software is just one small player in an industry that's only expected to continue growing. I'd recommend long-term investors think about owning several cybersecurity companies, as long as the entire portfolio remains well diversified.

As a well-established company, Absolute Software is the perfect first cybersecurity stock for investors to own. Shares are also extremely affordable right now, currently trading at just over \$10 a share.

If you've got some leftover cash after the holiday season this year, Absolute Software should be at the top of your shopping list.

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