



Maxar Stock Just Doubled: Is it Still a Buy Today?

Description

This was certainly not the year for growth stocks. But the market does wonders in its own ways. Investors know that space technology is an emerging space, and it might create value in the next few decades. However, in the case of **Maxar Technologies** ([TSX:MAXR](#)) investors, their investment horizon was cut short to a few months.

Maxar stock zoomed 125%

Last week, Maxar Technologies agreed to be bought by a private equity firm Advent International. It paid a whopping 129% premium to Maxar, valuing it at US\$6.4 billion, including debt. No wonder the stock zoomed a massive 125% on December 16. The deal is expected to close by mid-2023. Post-closing of the transaction, Maxar will be a private company that's able to accelerate investments in satellite technologies.

MAXR stock plunged close to \$5-odd levels in March 2019. For those who entered then, this space tech company has created a mind-boggling 1,320% return in just three-and-a-half years. However, imagine the pain of those that exited in the early part of the fourth quarter this year after its incessant, weak quarterly performances.

Maxar Technologies specializes in geospatial imagery and robotics. It caters to both commercial as well as government clients with respect to their space infrastructure needs. Notably, it was in the news when it sent out high-resolution satellite images of war-torn Ukraine this year. It was recently awarded a three-year contract renewal to provide mission-ready satellite imagery by the U.S. National Geospatial-Intelligence Agency.

Maxar Technologies: Financials

For the last 12 months, Maxar reported a net income of US\$30 million on total revenues of US\$1.7 billion. In the last five years, its revenue growth has been sluggish or declining. As a result, MAXR stock has underperformed broader market. The stock lost almost 10% in value this year till the

acquisition announcement.

Existing MAXR shareholders are sitting on solid gains already. There might not be a significant value for new entrants, as the stock might see a subdued movement till the acquisition closes. Maxar is on a “go-shop” period till mid-February 2023, where it can see any other acquisition offers. However, that might not happen, considering the massive premium in the current deal.

So, if you have money to deploy, here is an alternative bet for [growth investors](#).

TSX tech stock to bet on for 2023

Canadian fintech player **Nuvei** ([TSX:NVEI](#)) looks appealing in the long term. It is currently trading at its all-time lows and, thus, could be an opportunity for discerned investors. The stock touched the \$180 level in the fourth quarter last year and is currently trading at \$33. That’s a massive value erosion of 81%, thanks to a short report and a challenging macro scene.

However, this payment processor is a [fundamentally](#) sound company with a growing business. In the last 12 months, it reported revenues of US\$835 million — an increase of 15% year over year. Nuvei expects decent revenue growth and margin stability in the long term.

NVEI stock does not look too appealing from a valuation angle, even after the correction. So, we might not see an immediate recovery in the stock. However, it might create notable shareholder value once the whole inflation and rate-hike scene eases.

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