

### 8 Tech Stock Picks from Fund Managers for 2019

*Bala Yogesh - February 5th, 2019*



With picks from fund managers at Inductive Capital, Pathfinder Asset Management, StableView Management and LionGuard Capital Management.

Fund managers shared optimistic views on the [tech](#) sector as they made their top picks for 2019 in a panel discussion at the recently held [Cantech Investment Conference](#) in Toronto.

[The panel](#), held on Tuesday (January 29), the opening day of the show, featured Bill Burnham of Inductive Capital, Rob Ballard of Pathfinder Asset Management, Colin Fisher of Stableview Asset Management and Andrey Omelchak of LionGuard Capital Management.

Moderator Pardeep Sangha of Haywood Securities kicked off the panel by highlighting how the market “tailed off” towards the end of 2018 as compared to the beginning of the year.

“Last year, the beginning of the year was quite a good market and the end of the year tailed off [with] quite a negative decline in the capital markets,” Sangha said.

Omelchak said that the pullback in the market presents opportunities for investors to pick up stocks at lower prices. "Volatility is a good thing to make money over the longer term," he said.

"There are some very interesting investment opportunities, especially in December. There have been no bids and a lot of companies have really sold off. So I'm seeing some tremendous opportunities out there, but overall I wouldn't buy the whole market."

Omelchak said investors should focus on individual companies instead of looking at the overall space.

For his part, Ballard noted that there is room for tech companies to add value, which is positive for the market. "I think regardless of what happens with the economy, tech companies can add value and help companies operate more efficiently," he said.

Below the Investing News Network takes a closer look at the companies mentioned by the panelists. All figures mentioned were current as of February 5, 2019.

## 1) Bill Burnham

**C-Com Satellite Systems (TSXV:CMI)** — Market cap: C\$47.23 million; year-to-date percentage gain: 7.63 percent; current share price: C\$1.27

Burnham's first pick was C-Com Satellite Systems, a company engaged in the design, development and manufacturing of [mobile](#) satellite-based antenna systems for the delivery of broadband internet.

In November 2018, the company [was granted](#) a US patent for phase shifter technology, which the company hinted will be used in the manufacturing of its next generation of affordable phased array antennas. C-Com is scheduled to demonstrate its phased array antenna in the first half of 2019.

"There's a revolution right now in satellite technology, it's called phased array flat panel antennas," Burnham said. "If they're able to demonstrate that this technology works — and it's a big if at this point — but if they are, they will be one of the few companies in the world that's in a position to deploy this technology."

**WELL Health Technologies (TSXV:WELL)** — Market cap: C\$37.74 million; year-to-date percentage gain: 0 percent; current share price: C\$0.45

Second on his list was WELL Health Technologies, one of the largest providers of primary healthcare facilities in BC. The company seeks to positively change the health sector by leveraging technology to support both patients and doctors.

"If you look at the digital health space, there's a tremendous opportunity for innovation there," Burnham said. "I think WELL represents a very interesting platform from which to take advantage of those health trends not only here in Canada, but also in the US over time."

## 2) Rob Ballard

**AnalytixInsight (TSXV:ALY)** — Market cap: C\$24.58 million; year-to-date percentage gain: 20.69 percent; current share price: C\$0.35

Ballard's first pick was a company in the **artificial intelligence** space, AnalytixInsight. The company is known for its financial analytics platform, CapitalCube, which analyzes market price data and regulatory filings to create insights on companies and **exchange-traded funds**.

AnalytixInsight holds a 49-percent interest in Marketwall, known for its **fintech** solutions for financial institutions.

In January, the company **announced** that its joint venture partner in Marketwall, Intesa Sanpaolo (BIT:ISP), an Italian banking group, is planning to invest 2.8 billion euros over the next three years to fast track its plan to become Italy's first digital bank.

"The big bank they partnered with spent all the money for development, and now they can take their product and commercialize it across other countries around the world. So they got an option on selling something that a customer has already paid for," Ballard said.

**Vitalhub (TSXV:VHI)** — Market cap: C\$34.08 million; year-to-date percentage gain: 51.72 percent; current share price: C\$0.22

Vitalhub, a company that develops and supports critical information systems relating to mental health, long-term care and social services, was Ballard's second pick. The company's solutions in the tech space include electronic health records, web-based assessments and **blockchain** solutions.

"Vitalhub does electronic health records for niche verticals like mental health and addiction," Ballard said. "Niche markets means less competition and higher margins."

In January, the company **announced** the licensing of its TREAT and B Care solutions to the government of Yukon to improve and support mental wellness and substance use services across the territory.

### 3) Colin Fisher

**iLookAbout (TSXV:ILA)** — Market cap: C\$16.15 million; year-to-date percentage gain: 40.74 percent; current share price: C\$0.19

Fisher's first pick was a visual and data analytics company that has a software-as-a-service model and caters to the real estate and property assessment markets.

In November 2018, the company **entered into a non-binding agreement** with StableView Asset Management and Clarocity (TSXV:CLY) for the acquisition of Clarocity's assets. As of January 23, StableView **held** 31.7 percent of Clarocity, a company that provides real estate valuation solutions.

"So you've got management who has already built billion-dollar companies before, [and] they've done it through acquisitions and tying companies together," Fisher said. "Post acquisition, the company is incredibly cheap."

**AcuityAds Holdings (TSXV:AT)** — Market cap: C\$56.97 million; year-to-date percentage gain: 20.87 percent; current share price: C\$1.39

AcuityAds, a technology company that provides marketers with a solution for digital advertising across all formats, was Fisher's second pick.

In February, the company **announced** that it had signed several multi-million dollar orders in January, with its clients including new and the existing firms across diversified industries, including the **pharmaceutical** and banking spaces.

"Here's a company that took it in the teeth along with everybody else in their industry, and they've been able to turn it around," Fisher said. "They're dirt cheap."

### 4) Andrey Omelchak

**Photon Control (TSXV:PHO)** — Market cap: C\$140.63 million; year-to-date percentage gain: 17.43 percent; current share price: C\$1.28

Photon Control, a company that develops and supplies optical measurement technologies to the global semiconductor industry, was Omelchak's first pick.

"I'm very bullish on long-term demand for semiconductor equipment, and what these guys do is they provide the temperature-measuring solutions [used] during the very complex manufacturing [process] for the chips," Omelchak said.

The company announced in January that it has **entered** into a distribution agreement with Japan Laser, a leading distributor of lasers and other equipment in Japan.

"What's interesting is that the demand for the product that they provide is outpacing big time the demand for the chips overall," he said.

**Calian Group (TSX:CGY)** — *Market cap: C\$234.73 million; year-to-date percentage gain: 2.73 percent; current share price: C\$30.21*

Omelchak's second pick was Calian Group, a company focused on two major verticals: its systems engineering and business technology solutions.

In the last week of January, the company **was awarded** an IT services contract by General Dynamics Mission Systems as part a partnership to deliver Land Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) systems.

"It's a good company diversified across different technology solutions," Omelchak said. "They service a lot of different government agencies, so it's a highly recurring revenue stream."