

Tech Information Technology



Rising demand for superior computers has driven these ASX stocks up

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A number of ASX stocks are working on or are facilitating the next generation of computers (Pic: Big Hero 6/Disney)

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An explosion in demand for stronger, faster computers has been a good catalyst for share price appreciation for several stocks in the space.

One sub-sector that has been a beneficiary is data centres, with COVID-19 accelerating further the shift to things like online education and remote working.

The largest player in the space is Bevan Slattery-founded company **NextDC (ASX:NXT)**, an ASX200 stock that listed back in 2010 at \$1 per share and is now worth over \$11 a share.

Small caps **DXN (ASX:DXN)** and **5GN Networks (ASX:5GN)** are also in the data centre game. 5GN has more than doubled in 2020.

DXN CEO Matt Madden told *Stockhead* earlier this year data centres would be in much greater demand as new technologies such as electric vehicles and drone deliveries became more widespread.

NXT, 5GN, DXN share price charts



1 hour ago | Nick Sundich



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Trending in Tech



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Featured Companies



ASX: DUG
DUG Technology



ASX: AXE
Archer Materials



ASX: DXN
DXN



ASX: 5GN
5G Networks

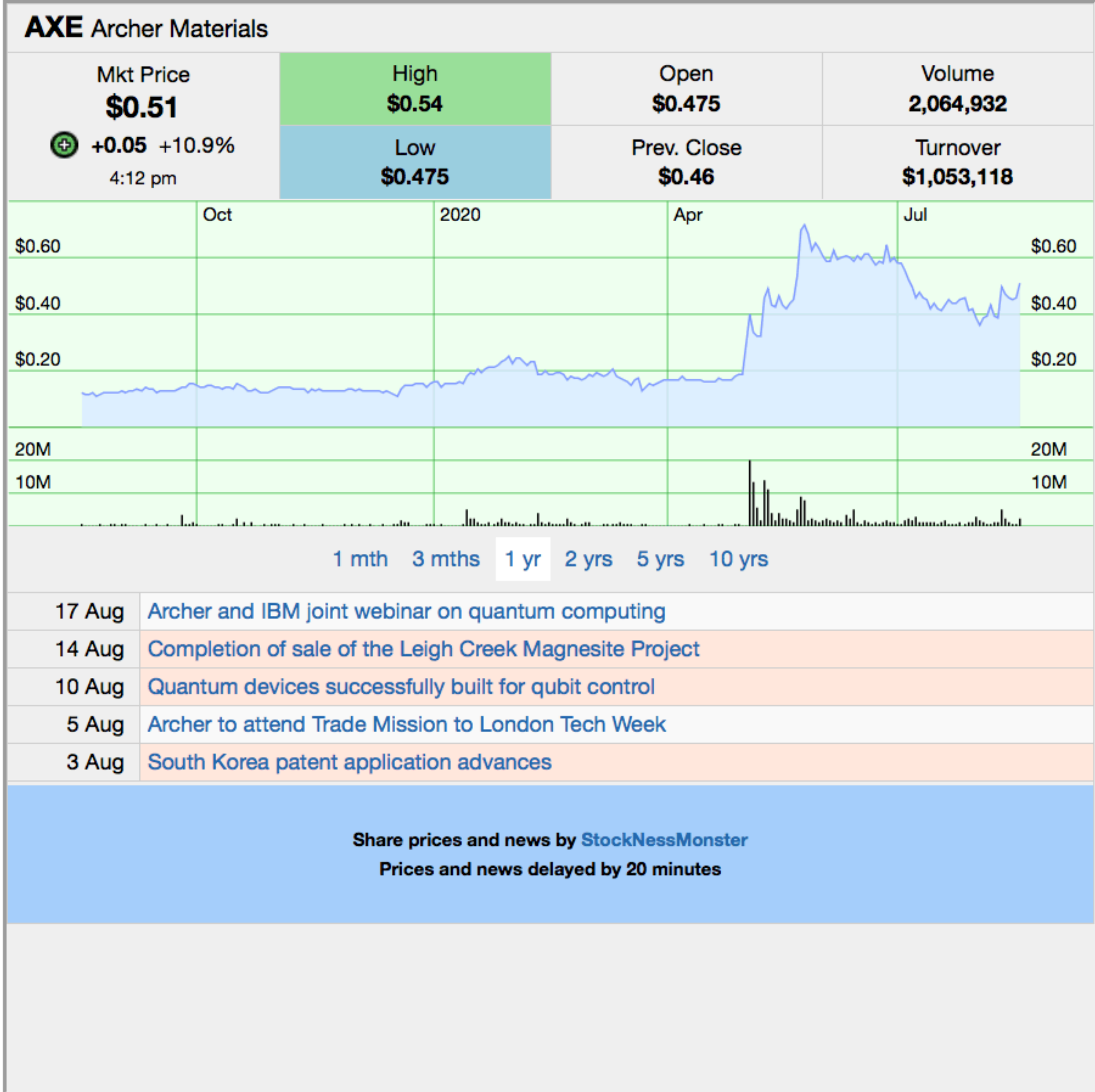
Taking a ‘quantum’ leap

Archer Materials (ASX:AXE) is the only ASX stock working on quantum computers. Quantum computers are not publicly available just yet because there are issues, such as temperature sensitivity, still to be overcome.

However, the company is making progress. A few months ago Archer signed an agreement with IBM to advance quantum computing and work towards solutions for wide-scale adoption of the technology.

Shares in Archer have more than doubled in 2020.

Archer Materials (ASX:AXE) share price graph

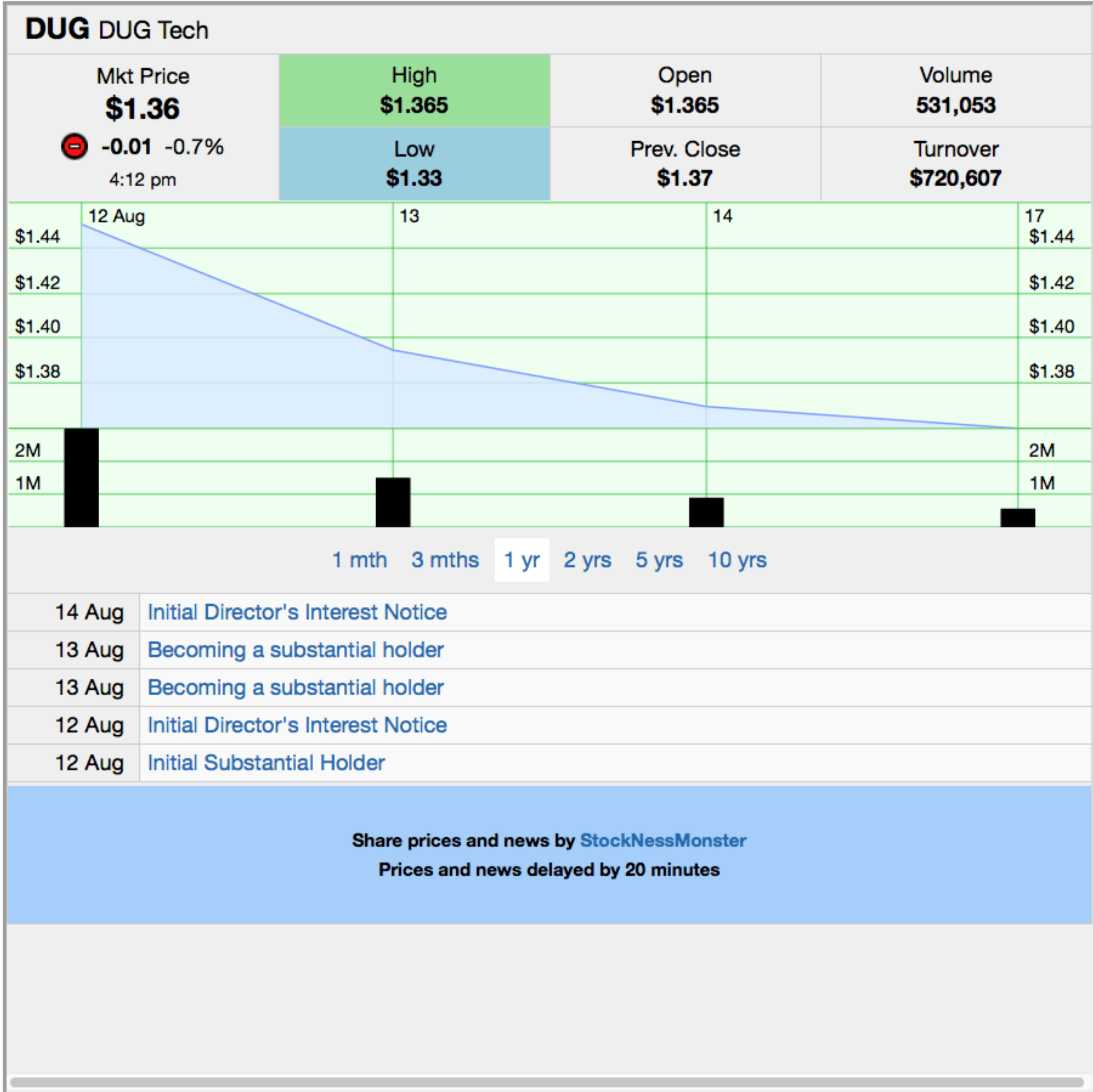


The ASX’s newest supercomputer hopeful

Last week, Western Australian company DUG Technology (ASX:DUG) lit up the ASX boards following a successful IPO.

DUG’s debut was more modest than some of its peers in 2020, with shares edging only slightly higher on Wednesday and Thursday before falling below its \$1.40 debut price on Friday.

DUG Technology (ASX:DUG) share price chart



High performance computing has similar objectives to quantum computing but these devices are already available and serve more general purposes.

DUG founder & CEO Matt Lamont said the company had seen demand explode in recent years as companies sought to get more done in a shorter amount of time.

High-performance computers “allow us to do work that run programs and analysis that otherwise simply can’t be done”, Dr Lamont told *Stockhead*.

“Or they allow people to do things in a lot quicker time frame.

“If you can shorten the timeframe then you can allow more natural thinking, so people will achieve more in their scientific endeavours than if they have to wait two weeks for a result.

“If we can turn around a result in eight hours then that will free them up and that will allow their research to move a lot quicker. So it’s both shortening the time frame of jobs people wish to run as well as allowing things to run that otherwise would not be possible.”

DUG has traditionally served the petroleum sector but has expanded its horizons into new industries where it sees big demand.

The company is one of the participants in the Square Kilometre Array (SKA) project in the West Australian desert.

When complete, the SKA project will be the world’s largest radio telescope.

It will eventually use thousands of dishes and up to a million low-frequency antennas to enable astronomers to monitor the sky in much greater detail than previously has been the case and survey the entire sky much faster than any system currently available.

“We took some code that they’d been trying to run elsewhere on one of the public supercomputers and hadn’t been able to achieve it,” Dr Lamont explained.

“We worked on the code for two weeks, we made it go 125 times faster and then we ran their full backlog of data in three hours on a quarter of Bruce (Dug’s resident supercomputer).

“That opened up the world for them and allowed them to achieve a lot more very quickly.”

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