2 Dividend Investments That Make More Sense Than Shopify's (TSX:SHOP) Stock Right Now

Description

Shares in Canada's e-commerce up-start **Shopify** (TSX:SHOP)(NYSE:SHOP) have fallen more than 20% over the past month as technology stocks have begun to lead the market lower.

Granted, giving back 20% is not that big of a deal to those who were Foolish (note the capital *F*) enough to invest in the company back in 2015.

Shopify stock has risen more than six-fold since then, and a $10,000 investment in Shopify back in January of 2016 would be worth $49,988 today.

But given that the shares trade at a forward price-to-earnings multiple (P/E) of 196 times and a price-to-sales multiple (P/S) of 15 times, this is not exactly a company that is coming to you at cheap valuation.

And while that doesn't necessarily make it a bad investment — you needn't look any further than **Amazon.com** or **Netflix** as examples of why investing is about a lot more than buying "cheap multiples" — it will tend to make the stock a bit more vulnerable when the market starts to experience volatility.

I actually happen to think that the company's long-term growth potential is still very solid — if not great — but in the meantime, I'd feel a lot more comfortable putting my money in these two companies right now.

Sienna Senior Living (TSX:SIA) is one of the largest seniors-housing operators in the British Columbia and Ontario markets, owning and operating 70 properties and managing another 15 for third parties.

One of the great things about Shopify as an investment is the company is well positioned to take advantage of growth in e-commerce. Likewise, Sienna stock is exceptionally well positioned to benefit from the growth in Canada's senior population.

It also doesn’t hurt that more and more baby boomers are downsizing into condominiums andmanaged residences compared to their parents’ generation.

Retirement communities simply aren’t the dirty word that they were 20 years ago.

This stands to benefit Sienna and its shareholders, who are, in the meantime, already being paid a 5.61% annual dividend yield, and that’s a dividend that should experience significant increases going forward.

Like Sienna, (and Shopify) **Intertape Polymer Group** (TSX:ITP) is also well positioned to take advantage of a rapidly growing market.

Intertape sells a variety of tape and packaging products, some of which are used extensively in shipping and packaging materials. If you’re a fan of Shopify or Amazon and believe that e-commerce is the way of the future, you probably won’t have a hard time getting behind ITP stock for the same reasons.

But what’s different about ITP is that the shares are very reasonably priced, trading at just 12.1 times its P/E ratio.

Not to mention the shares pay a solid 4.05% dividend yield that, like Sienna’s, should get sizable increases going forward.

Bottom line

The forecast for seniors housing and packing tape might not be quite as impressive as that of the e-commerce market.

However, Intertape and Sienna happen to be more reasonably valued from a traditional standpoint.

And in combination with dividends that pay in excess of 4% annually, both are probably better suited for the current environment in light of the volatility markets have been experiencing over the past month or so.

CATEGORY

1. Dividend Stocks
2. Investing
3. Tech Stocks

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1. NYSE:SHOP (Shopify Inc.)
2. TSX:ITP (Intertape Polymer Group)
3. TSX:SHOP (Shopify Inc.)
4. TSX:SIA (Sienna Senior Living Inc.)

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