



Tech Stocks Are Heating Up Again: Here's How You Can Take Advantage

Description

Toward the end of 2018, we saw a lot of selling across many sectors, which created some terrific buying opportunities for investors. However, some individuals may still be a bit hesitant to invest given lingering concerns about a prolonged downturn. But with the markets off to a strong start in 2019 and tech stocks in particular doing very well, it could be a great time to get back in before share prices rise even further.

A good example is **Netflix, Inc** ([NASDAQ:NFLX](#)), which is up more than 30% year to date. While it still is a long way away from its 52-week high of \$423, the stock has made a nice recovery from the lows it reached around Christmas, when it was barely trading above \$230 a share. Although the stock is an expensive one, trading at a multiple of more than 130 times [earnings](#) and around 30 times its book value, Netflix investors are used to paying a significant premium to own the highly-coveted tech stock.

What makes it an appealing buy is that the company is continually innovating and generating new content for subscribers. It has gone a long way from when it was just a curator of content to now developing content with popular titles of its own. Its growth worldwide has made it a household name, and in many cases it has been a substitute for cable. The company is facing some increased competition, but it still continues to be the most popular streaming service and hasn't fallen out of favour with consumers despite hiking its prices.

There are many other tech stocks that are doing well this year beyond just Netflix. And if you're not sure which one to invest in, a good option might be to invest in the **BMO NASDAQ 100 Equity Hedged to CAD ETF** ([TSX:ZQQ](#)). The ETF holds the top stocks on the NASDAQ and can allow you to diversify your holdings while also taking advantage of the rally that tech stocks have been on this year.

Although the ETF has risen just 11% year to date, it'll give you much more [balance](#) in your overall returns, and you won't go on the big swings that any one stock would otherwise put you on. It's a safe and balanced investment option for investors who want to hold tech stocks, but don't want to settle on just a couple. With this ETF having a management expense ratio of just 0.39%, you aren't paying a big fee for the fund's management.

The NASDAQ is home to some of the most highly valued stocks on the markets today, including ones

that are the most susceptible to seeing their values soar as a result of hype, such as Netflix. For those reasons, there's plenty of upside to investing in the NASDAQ 100, especially when the economy is doing well and tech is all the craze. Although in the short term there might be some political uncertainty that could weigh stocks down, over the long term it's a safe bet that the top NASDAQ stocks will continue to grow and rise in value.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:NFLX (Netflix, Inc.)
2. TSX:ZQQ (Bmo Nasdaq 100 Equity Hedged To Cad Index ETF)

PARTNER-FEEDS

1. Msn
2. Newscred
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