



2 Top AI Stocks to Buy This Spring

Description

The development of artificial intelligence (AI) technology will transform the way we live in the coming decades. Many experts have warned that humanity is unprepared for some of the radical changes that will emerge over this period. AI has already made its stamp in the investing world and promises to drive speculation well into the next decade.

A report in late 2018 released by the firm MarketsAndMarkets forecasts that the AI market will be worth \$190 billion by 2025. This is compared to a \$21 billion valuation in 2018. The report identified big data, adoption of cloud-based applications and services, and growing demand for intelligent virtual assistants as big drivers. The increase over this period would represent a compound annual growth rate (CAGR) of 36.6%.

Today, we are going to look at two AI-linked stocks to stash in your portfolio this spring.

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#))

Shopify is an Ottawa-based company that offers a cloud-based platform for small and medium businesses. Shares have surged 45% in 2019 as of close on March 18. The stock is up 51% over the past three months.

Earlier this month, I'd warned investors [not to burn themselves](#) on Shopify stock. This is worth consideration, as the stock hovers around all-time highs and boasts an RSI of 75, putting it in overbought territory. Still, Shopify's position in the rapidly expanding e-commerce sector makes it a top tech stock for the long term.

How does Shopify use AI? Shopify uses recommendation algorithms in its app and theme stores to best help the businesses that use the platform. It has also employed machine learning for order fraud detection, which helps merchants detect fraud and reduce costs. In addition to this, Shopify acquired Kit CRM in 2016, which helps merchants on the platform manage and automate marketing tasks.

Kinaxis ([TSX:KXS](#))

Kinaxis is another Ottawa-based tech stock that has surged since its IPO back in 2014. It provides software solutions for sales and operations planning and supply chain management. Shares of Kinaxis have climbed 12% in 2019 so far. Back in late 2018, I'd called [Kinaxis stock a steal](#). The stock has climbed 13% over the past three months, but it has experienced some volatility after some disappointing earnings.

Kinaxis has revealed that it is working on applying AI technology to detect trends in operational data. This has the potential to self-heal the supply chain, which could dramatically boost efficiency for companies that use Kinaxis software. The company has said that its application of AI technology could be used broadly in its supply chain planning, including supply chain management predictive capabilities and the use of demand sensing. Demand sensing is a forecasting method that aims to create an accurate forecast of demand using new mathematical techniques and near real-time information.

The stock comes at an attractive price after another post-earnings dip. It last boasted an RSI of 36 and is trading at the lower end of its 52-week range. Revenues are set to ramp up in 2019 based on the company's forecast for the next fiscal year. Kinaxis is well positioned to post solid growth, as the demand for supply chain planning software soars.

CATEGORY

1. Investing
2. Tech Stocks

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:KXS (Kinaxis Inc.)
3. TSX:SHOP (Shopify Inc.)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Investing
2. Tech Stocks

Tags

1. Editor's Choice

Date

2025/07/01

Date Created

2019/03/19

Author

aocallaghan

default watermark

default watermark