



Forget About Canopy Growth (TSX:WEED) Stock: This Growth Fund Is a Surer Win

Description

Canopy Growth stock has done very well since its initial public offering. In fact, the stock price has nearly doubled in just the last 12 months. However, the stock trades at an astronomical price-to-sales ratio of close to 100. And it's anyone's guess if it can continue heading higher.

For a surer win, investors should look into the **Evolve Cyber Security Index Fund** ([TSX:CYBR](#)), which invests in the [sure-growth area](#) of cybersecurity.

You might recall the cyberattacks on **Target** in 2013 and, more recently, **Equifax** in 2017 that affected more than 250 million people. These examples are just the tip of the iceberg. In fact, the Breach Level Index reported more than 3.35 billion of data records was compromised in the first half of 2018 alone!

With no shortage of data breaches in this digital age, the spending on cybersecurity is expected to grow over the next five to 10 years. In 2017, Gartner estimated that there would be 20 billion connected devices by 2020 and that the spending on cybersecurity would be about \$100 billion in 2018. In 2016, Cybersecurity Ventures projected that by 2021, cybercrime could cost the global economy \$6 trillion!

Instead of having to guess which stocks will be winners in the cybersecurity space, investors can use the Evolve Cyber Security Index Fund as a great way to gain exposure to this [mega growth trend](#).



What you get from the cybersecurity fund

The Evolve Cyber Security Index Fund invests in global companies involved in the cybersecurity industry. Currently, it has 37 holdings. Industry-wise, it's 48% in communications, 45% in technology, and 7% in consumer and non-cyclical. Geographically, it has 73% exposure in the United States, 12% in Israel, 7% in Japan, 4% in the Netherlands, 2% in China, 1% in Austria and South Korea, respectively.

The fund's top 10 holdings make up about 65% of the fund. The top five holdings each makes up more than 7% of the fund. They include **Symantec**, **Palo Alto Networks**, **Fortinet**, **Zscaler**, and **Booz Allen Hamilton**. Individually, the stocks can be quite volatile. Additionally, it'll be difficult to pick out the winners.

So, investors will likely be better off averaging into the Evolve Cyber Security Index Fund over time, aiming to buy on meaningful market corrections, and gaining exposure to the growth area through the fund for their long-term portfolios.

Foolish takeaway

The Evolve Cyber Security Index Fund is a relatively new fund that became available in September 2017. It's an easy way to gain exposure to the long-term growth area of cybersecurity. The fund has dipped about 7% from its high, and it's a decent entry point to start buying. Notably, CYBR hedges foreign currency exposure to the Canadian dollar. So, it should result in less volatility over CYBR.B, which is unhedged.

CATEGORY

1. Investing
2. Tech Stocks

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. TSX:CYBR (Evolve Cyber Security Index Fund)

PARTNER-FEEDS

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

Category

1. Investing
2. Tech Stocks

Tags

1. Editor's Choice

Date

2025/08/24

Date Created

2019/05/14

Author

kayng

default watermark

default watermark