



\$1,000 Invested in Shopify (TSX:SHOP) and Kinaxis (TSX:KXS) in 2015 Is Worth This Much Today

Description

I'm not going to lie. It's some pretty simple math to figure out just how well **Kinaxis** ([TSX:KXS](#)) and **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) are doing. And it's a no-brainer that the stocks are both doing well.

But what makes them tick? How have they both grown so much, so fast? Let's dig in to where these stocks have come from, where they're going, and whether you should still invest.

Kinaxis

Back in the New Year of 2015, Kinaxis was trading at about \$18.50 per share. The software solutions company offers sales and operations planning, and supply chain management — something invaluable to the new world of tech.

Then as it started making money, the company began acquiring businesses to meet the high demand for its software. With its best-in-class services, it's now positioned itself to continuing filling that demand for [decades to come](#). Artificial intelligence and self-healing supply chains are just some of the ways it's put itself above competitors.

Today, the company has been putting out positive earnings results that have investors coming back for more. Granted, there was a dip back in December when the market slowed, but it has since rebounded and seems on its way back to its peak numbers of last summer. In fact, analysts believe this stock has high growth in its future, with a P/E ratio of 91.5 times, and the belief that it will soon reach that \$100 mark in the next year.

At the time of writing this article, shares are trading just above \$77 per share, making that an increase of 316% in the last four years. That means an investment of \$5,000 would now be worth \$15,800.

Shopify

If you've been living in a hole for the last few years, you might not be aware of Shopify. Likely though,

you are, and it's clear why. This e-commerce company is practically a household name, with many touting it as the next **Amazon**. But back in May of 2015, this stock was trading at around \$33.50 per share and looked like it would rise only slightly in the next few years.

But the company has since exploded, as it continues to grow and innovate at an [incredibly rapid pace](#), even though it has yet to make a profit. That hasn't stopped it, though, as revenue over the last few quarters has hit new records almost every time.

The reason this stock has done so well in the last few years is it has both grown a base of small- and medium-sized businesses that use the platform to sell their products. From there, it has increased its number of larger-sized businesses, where it hopes to continue gaining more of these subscribers.

So, that's where past increases have come from, but lately there is more excitement from its potential. The company could see some serious growth with Shopify Plus, becoming just like a company such as Amazon, offering everything for both consumers and businesses all from one site. But analysts believe investors have become a bit too excited, pushing the stock way past what it's worth.

Either way, as of writing, the stock has grown to \$364.43 per share, an increase of 988%. That means a \$5,000 investment would be worth \$49,400 today!

Foolish takeaway

Both of these stocks are exciting, but they also both come with some risk. In both cases, I would wait for another dip before buying. However, that doesn't mean these stocks aren't going to continue to explode over the next few years. Waiting for a dip could see some serious cash come in, and fast. While I think the excitement of the early days has pretty much gone for these companies, investors can still get in on the action in the future.

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