



## Forget Cannabis: Buy This High-Growth Tech ETF Instead

### Description

Cannabis stocks were great for growth investors for a while, as the anticipation ahead of recreational legalization sent share prices skyrocketing. And although the industry remains primed for more growth, the individual stocks are really only for long-term investors now.

Investors looking for higher potential growth in shorter periods of time should turn to the tech sector, which has long been one of the best sectors for high-risk, high-reward investing.

The tech sector represents a whole host of different companies, disrupting and trying to grow among different industries and different operations. One option for investors who are looking for high-growth potential stocks to consider is **iShares S&P/TSX Capped Information Technology Index ETF (TSX:XIT)**.

The XIT ETF is the best Canadian tech ETF that you can own and gives investors exposure to some of the top technology companies in Canada. Granted, the majority of its holdings are made up in just four companies, but the fund still gives you great exposure to other up-and-coming tech stocks that could provide major growth to your portfolio.

The top three sectors it's invested in is application software with 45% of assets, internet services and infrastructure at 29% of the assets, and IT consulting and other services with 20%, giving investors a wide range of exposure to all the up-and-coming industries.

In total, the fund is invested in 16 of the best potential tech stocks in Canada, making it a perfect investment for those investors looking to gain exposure to high-growth potential.

The largest holding in its portfolio is in one of the biggest investor favourites on the TSX, **Shopify**, which accounts for roughly 29% of the fund's assets. [Shopify](#) is an online commerce platform designed for small- and medium-sized businesses. The platform offers its users a tonne of helpful tools to improve and grow their businesses, making it a top choice among companies looking to expand their online presence.

In the last three years, the stock is up more than 800%, so you'll want top exposure to Shopify, as it

presents one of the highest-growth opportunities for investors.

The next largest holding in the fund is **Constellation Software** at roughly 23% of the fund's total assets. Constellation is a software builder and provider to both the public and private sector. The company serves a number of different industries both acquiring and building different software for its client companies. The stock is up over 140% over the last three years — an attractive return for growth investors.

**CGI** is the third-largest holding in the fund at nearly 20% of the fund's holdings. CGI is an information technology and consulting company that serves a wide variety of businesses. Its stock is up over 60% the last three years.

The last of the largest holdings in the fund is **Open Text** at 13% of the holdings. Open Text is a software developer that builds its technology to help companies to find, utilize, and share critical information. The stock is up 40% the last three years.

The largest four companies make up more than 83% of the fund's assets and give you exposure to the best tech companies that Canada has to offer.

The fund is clearly a great option for high-growth investors, as over the last three years, the fund itself has grown more than 125% and has a management expense ratio of just 0.6%.

There is no doubt the fund is a top choice for investors, especially if you were hoping to find some major growth in pot stocks, which likely will never happen again.

## CATEGORY

1. Investing
2. Tech Stocks

## TICKERS GLOBAL

1. TSX:XIT (iShares S&P/TSX Capped Information Technology Index ETF)

## PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

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