



Forget Disney (NYSE:DIS): Buy This TSX Stock Instead

Description

One of the most enticing stocks to buy in the midst of the market's sell-off this month is **Walt Disney** ([NYSE:DIS](#)). The stock recently hit a new 52-week low, and it's made for an attractive buy for value investors.

Disney is a top company that's known around the world. From its theme parks to its movies, it requires no introduction. And the launch of its Disney+ streaming service last year also created a new opportunity for the company to tap into another segment that can contribute even more growth.

However, Disney has been shutting down its operations. And with no end in sight to the coronavirus, it may be a while before things get back to normal for the company.

That makes it a bit of a dangerous investment today, because it means there may be more quarters ahead that can weigh the stock down, and that can translate into further declines for its share price. While Disney stock may seem cheap today, it may not be an ideal time to buy.

Why this may be a better option for investors than Disney stock

Rather than buying Disney stock, investors may want to consider **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) instead. The tech company has also seen its share price fall in recent weeks, although it's nowhere near its 52-week lows — and it may not get there, either.

Investors have been bullish on the stock for much of the past year. Unlike Disney, the company doesn't need a physical presence to be able to generate strong numbers. As customers move away from physical stores, that may lead to more online sales. And that could mean more traffic through Shopify's platforms.

Shopify may perform well, even if consumers stay at home. A bored consumer may start shopping online. But at the very least, Shopify's business shouldn't be as adversely impacted as Disney's will be. Companies like Shopify that are more versatile and flexible in their operations are more likely to handle this type of adversity well.

Shopify has been a resilient stock over the years, and while it's shown some volatility, it's generally enjoyed a very strong [upward trajectory](#), with its share price soaring over the years. It's one of the top stocks on the TSX, and grabbing shares of Shopify now may be a great idea for investors

Should investors wait to buy Shopify?

The main argument against buying Shopify today is that the stock may get cheaper if the markets continue to show softness, as is the case with Disney stock. But Shopify also has more potential to recover faster. That's where it may be the better stock to buy right now.

Ultimately, both stocks look to be good buys for the long term. But if you're looking to maximize your return, go with Shopify. With [strong growth](#) and a popular online platform, it could still enjoy a strong performance in 2020. Disney, however, may continue to struggle well into the following year.

CATEGORY

1. Investing

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2. NYSE:SHOP (Shopify Inc.)
3. TSX:SHOP (Shopify Inc.)

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