



Invest Now in “New Normal” Stocks for Years of Growth

Description

Some tech stocks have proven resilient, with enough solid bone structure under the fat to make them worthy of a long position. Just look at the NASDAQ, a stock exchange plump with overvalued tech names that are still rich with upside. Pundits like Jim Cramer have been bullish on tech throughout the pandemic. Canadian investors should be, too.

The pandemic market favours tech stocks

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) is a solid tech name, even if it comes with a hefty price tag. But it might also be a gravity-defying growth stock with years of upside still to come. Shopify might not be an entry level name anymore, but it's still relatively early enough in its timeline for new investors to reap long-term rewards. Even a fistful of shares in this evergreen tech name could see steep rewards over the long term.

Even a few thousand dollars won't buy you a terribly large stake in Shopify. But the fact is that this name is [likely to grow and grow](#). Whatever you put in will be multiplied, as this e-commerce name continues to corner the market. If you want capital gains in a strongly diversified and well-established name, this is the one. Don't be Warren Buffett, who famously missed out on **Amazon** when it was just getting started.

Buying stocks for the “new normal”

The fact is that society has shifted, and the “new normal” is being rapidly cemented in place. Even if everything were to reopen tomorrow, the fact is that a sizeable portion of the populace simply won't return to their old habits with or without a vaccine. This means that some of the trends that were amplified by the pandemic could prove to be rather more ephemeral than investors might expect.

Consider the words of Airbnb CEO Brian Chesky, who [told Axios on Sunday](#): “I will go on record to say that travel will never, ever go back to the way it was pre-COVID; it just won't.” He went on to say that, “People will, one day, get back on planes. But one of the things that I do think is a fairly permanent

shift is ... a redistribution of where travelers go.”

It's a sentiment that could apply to every sector right now. And two keywords really stand out here: *permanent shift* and *redistribution*. There is definitely a case to be made that some aspect of a few trends amplified by the pandemic could be with us to say. A shift towards online commerce, a reduction and redistribution of travel, an acceleration of disruption in the home entertainment space — all of these are looking like long-term trends.

So too does the green economy. 2020 finally saw oil prices devolve to the point of negativity. The thesis for hydrocarbon stocks was already weakening steadily. However, the pandemic critically reduced demand in a space already battered by oversupply, a weakening global outlook, and the spread of protectionist policies. In short, investors have a range of strong plays going forwards as a new normal emerges.

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Date

2025/08/20

Date Created

2020/06/30

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