



After Shopify (TSX:SHOP), 2 Stocks That Could Go Parabolic!

Description

Shopify Inc. ([TSX:SHOP](#))([NYSE:SHOP](#)) has been one of the most successful technology companies in the country over the past decade. Shopify stock hit hyperdrive this year as it nearly tripled during the pandemic. Investors who bet on the company in 2015 are now sitting on a 2,840% gain.

Stocks that make parabolic moves like this have a few things in common. For one, they're usually emerging disruptors in highly valuable industries. They're also relatively small and underrated when they start off. When they catch the attention of mainstream investors, these stocks tend to shoot skyward in short order.

Shopify stock has already caught everyone's attention — which is why savvy investors need to look for the next big tech stock worthy of a parabolic upward move. Here are two potential candidates you should keep an eye on.

Drone technology

Drone Delivery Canada (TSX:FLT) has been flying under the radar for years (pun intended). The stock made a parabolic move in 2017-18 when it [quintupled in just a few months](#). Since then, however, it's been gradually sloping downward.

Drone Delivery's stock is now 61% lower than its all-time high in 2018. However, over the past two years the company has been making serious progress on its mission to commercialize drone deliveries. The firm already has test programs in partnership with **Air Canada**, the Moose Cree First Nation, the Peel Region Paramedics and Sunnybrook Centre for Prehospital Medicine.

This month, the team announced they had commenced the process to enter the United States as a commercial drone operator. In other words, all the elements are there for a parabolic move. A major delivery deal or long-term contract could be the spark that helps this stock lift off.

Investing in FLT could be like buying Shopify stock at its initial public offering.

Spacetech

Unlike Drone Delivery Canada, **Maxar Technologies** (TSX:MAXAR)(NYSE:MAXAR) has been around for over a decade and already has several long-term contracts with the U.S. government.

However, the stock has been making parabolic moves downward for the past few years. The stock has lost 77% of its value since 2015. It now trades at just seven times trailing earnings per share and offers a 6.6% dividend yield. In other words, it's egregiously oversold.

Meanwhile, commercial space technology has advanced to the point where startups are using satellite images and reusable rockets. The industry is rapidly maturing, which means demand for space technology is as high as ever.

In my view, investor sentiment about the space tech industry is remarkably positive. This could allow Maxar to raise capital from private equity and institutional investors, effectively eliminating its debt. Once the debt burden is sorted, Maxar stock could make a parabolic move upward.

Bottom line

Investors who bet on Shopify stock early are now sitting on astounding gains. I believe underrated tech stars like Drone Delivery Canada and Maxar Technologies are capable of delivering similar returns over the next few years. All they need is the perfect catalyst.

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