



The Next Shopify (TSX:SHOP) Is Already Up 138% This Year

Description

If there's one stock many are regretting purchasing a year ago, it's **Shopify Inc** ([TSX:SHOP](#)) ([NYSE:SHOP](#)). Analysts kept setting this stock up for failure, but the company kept shooting it all down. Each earnings report came in higher than the next, beating analyst expectations again and again.

I don't have to tell you about the company's sky-high share price to date, but I will. Shopify trades at writing at \$1,387 per share, down from its all-time high of \$1,478 after [second-quarter](#) earnings.

While other companies have fallen to the wayside during the pandemic, it looks like Shopify was a defensive stock no one saw coming.

The share price is now up about 180% in a year. Since its initial public offering, that price is way up, growing a whopping 3,463% in the last few years. So while I wouldn't necessarily say that the time has passed on this stock given how it continues to outperform, it might be time to think outside the Shopify box.

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There are other stocks out there that also outperform the markets during this downturn, and none better than those in [artificial intelligence](#). What you want is a company that isn't afraid of focusing in on one key market, knowing it well, and diversifying within that market.

Shopify is a great example. The company focused in on e-commerce, but has several avenues bringing in revenue. From its application, to its subscription services, its shipping and receiving, all of these areas generate revenue while other areas are down.

This is also true for a company like **Real Matters Inc** ([TSX:REAL](#)). The company operates a platform that connects field agents with information and data on properties. This can be used by everyone from mortgage lenders to insurance companies, which is why the company continues to do well. When one area of the company shrinks, there's another to pick it up.

Take the last earnings report. The company posted strong second-quarter earnings as it took over more of the market share within the proprietary industry. There were huge gains within the U.S. Appraisal and Title revenues, generating a whopping \$14.6 million compared to \$2.8 million the same time last year.

And, like Shopify, it seems to be benefiting from the pandemic. The low interest-rate environment created a long-term opportunity for the company as many clients will want to refinance loans during this time. So while people might not be doing well financially, now is the perfect time to refinance during an economic downturn and take advantage of the low rates.

Bottom line

This could be the catalyst for something huge for Real Matters. The company could see a Shopify-like increase thanks to its ability to adapt. The stock is already up 138% this year, and that's likely to continue increasing as earnings reports come in.

Real Matters could very well turn out to be the company many wished they had bought while it was still within the double-digit range.

It could very well hit triple digits within the next year or so as the markets rebound and the company continues to prove its worth.

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