



## Hotter Than Amazon (NASDAQ:AMZN): This Canadian Tech Stock's Up Over 260% in 2020

### Description

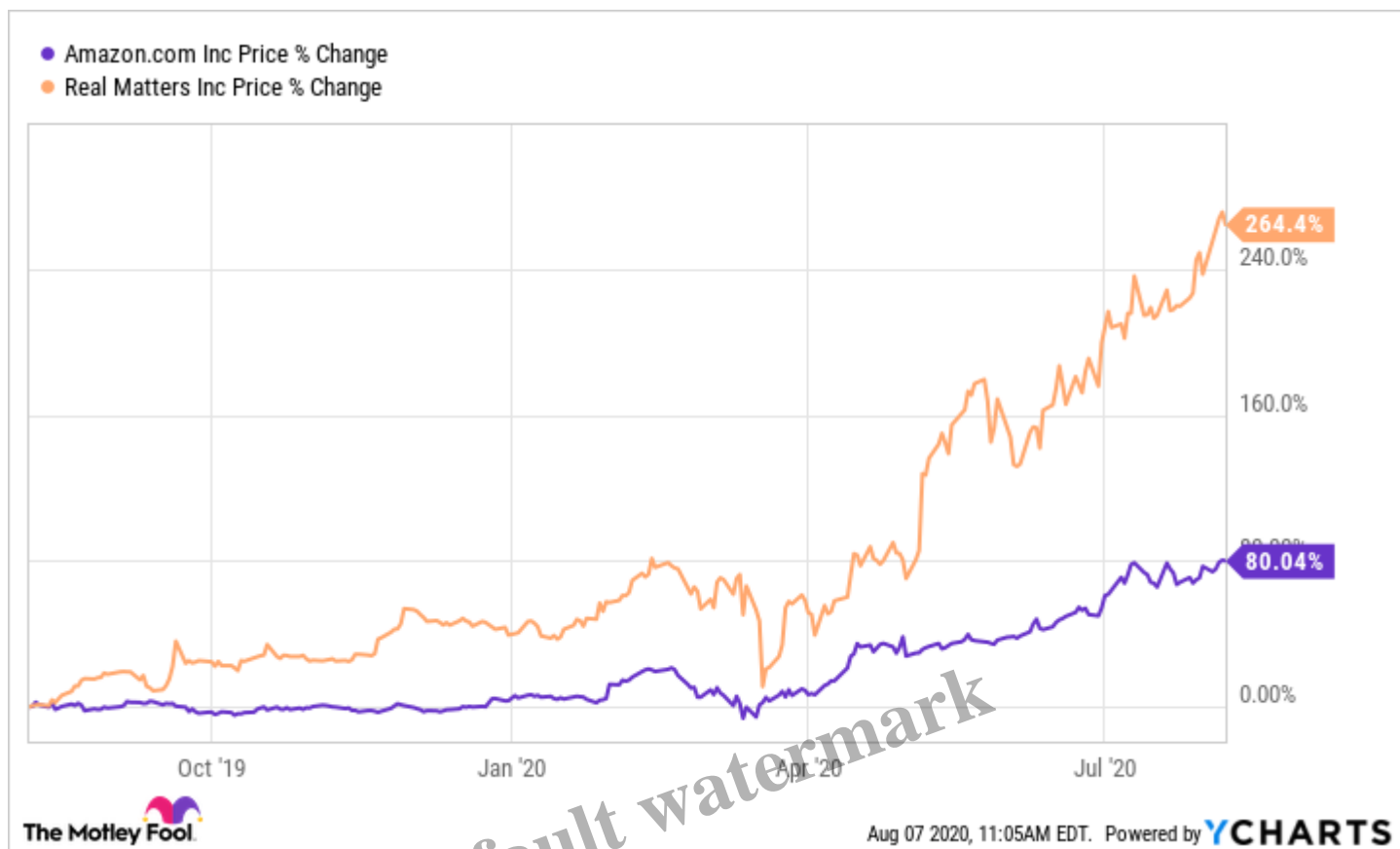
**Amazon.com, Inc.** ([NASDAQ:AMZN](#)) is doing well during the pandemic as the company smashed through analyst expectations in its last earnings report. Many retailers have noted a strong surge in online shopping amid lockdowns and so it's no surprise that the tech giant did so well.

However, as well as Amazon's been doing, it's hard to not to second-guess whether the stock may (finally) be reaching a peak. At a US\$1.6 trillion valuation, expecting the value of Amazon to continue rising may be a bit optimistic.

After all, with many states open for business again and people out and about, online shopping sales may subside in the coming months. And that could leave Amazon's stock vulnerable to a possible correction if it doesn't perform nearly as well in the next quarter.

### One stock that might have more upside

Rather than jumping on the bandwagon of an already established (and expensive) stock like Amazon, investors may be better off looking for and up-and-coming stock in which to invest. One great option is **Real Matters** ([TSX:REAL](#)). The Canadian tech stock's been producing fantastic returns for investors this year, outperforming Amazon by a wide margin:



AMZN data by [YCharts](#)

Real's in the business of helping the mortgage and insurance industries with appraisals and inspections and to make better decisions relating to real estate. Year to date, close to two-thirds of the company's sales are related to U.S. appraisals.

With interest rates at record lows, demand continued to be strong for Real's services last quarter as many people were looking at this as a good time to refinance their mortgages. Investing in Real allows investors to gain exposure to both the tech sector and [real estate](#). It can make Real a great investment to hang on to over the long term.

The company released its third-quarter results on July 30. Sales in Q3 totalled US\$118.1 million and were up 29.2% year over year. Its U.S. Appraisal segment generated 18.8% growth, while U.S. Title revenue rose by 70.9%. Its smallest segment, the Canadian market, declined by more than 13%. Real recorded consolidated adjusted EBITDA of US\$20.9 million, more than double the US\$10.4 million that it posted in the prior-year period.

Shares of Real are currently a bit expensive, trading at more than 50 times their earnings and 10 times book value. But given the rapid rate the stock's been climbing at, it's not all that surprising that the company's sales and profits haven't been able to keep up.

## Should you buy shares of Real?

Real's definitely a stock that you should keep on your watch list, but as well as the stock's performed this year, it's just too expensive of a buy right now. The Canadian and U.S. economies are in the midst of a [recession](#) and there may not be enough people looking to buy new homes to keep the growth going for Real.

The danger for investors is that there could be a correction in the near future if sales start to decline.

## CATEGORY

1. Investing

## TICKERS GLOBAL

1. NASDAQ:AMZN (Amazon.com Inc.)
2. TSX:REAL (Real Matters Inc.)

## PARTNER-FEEDS

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