



Forget Shopify (TSX:SHOP): Buy These 2 Stocks to Retire Rich

Description

Canadian tech favourite **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) has seen its stock soar more than 150% this year. Don't get me wrong: [I'm definitely bullish over the long term](#) for this tech giant. I'm just not sold on Shopify seeing the same type of gains it had over the past year, over the upcoming 12 months.

The company does seem to continuously defy the odds of valuation, though. Shopify trades today at an outrageous price-to-sales ratio of 75. If you can stomach the highly anticipated volatility over the short term and plan to add to your position regularly, then, by all means, pick up some shares of Shopify. Just make sure you know what you're getting yourself if you're starting a position today.

For long-term investors, there are more options than just Shopify to reach a rich life. I've covered two other Canadian companies trading at much more reasonable valuations. I believe each has a strong chance of generating market-beating returns over the long term.

TD Bank is a buy at today's valuation

The banking industry has fared worse than the tech industry this year, and **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) is no exception. The Toronto-headquartered bank is down just over 15% year to date.

Many investors are now flocking to high-growth tech companies, so bank stocks might not be the most exciting investment today. But if you're a patient, Foolish investor, the valuations found in bank stocks today could lead to healthy returns over the long term.

TD currently trades at a very reasonable forward price-to-earnings ratio of 10.9 and a price-to-sales of just three. This type of low valuation is what you'll find in each of the Big Six banks today. If TD isn't the bank you're interested in owning shares of, don't hesitate to dig into some of the other top Canadian banks.

This Dividend Aristocrat is one of the [most reliable dividend payers](#) you'll find on the Canadian market today. The bank has been paying out dividends to shareholders for more than 150 years now. It could be argued that the 5.15% yield is slightly inflated due to the low stock price today. But at an annual payout of \$3.16 per share, there's not much to dislike about TD's dividend.

BlackBerry is back in growth mode

Canadian tech company **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) was once known as a top player in the smartphone industry. The company has since shifted towards the world of software development, with a specialization in the increasingly growing industry of cybersecurity.

The company is far from all-time highs that were set over a decade ago. What was once a \$100 stock is now trading below \$5. That's not to say there isn't a lot of growth still ahead for the \$3.5 billion company.

With close to \$1 billion in cash and cash equivalents at its disposal, [the company has turned to acquisitions](#) to help fuel revenue growth. The purchase of Cylance, a California-based artificial intelligence (AI) and cybersecurity company, was made by management in an effort to becoming a top AI-cybersecurity in the world.

Returning to a stock price of \$100 might be a long shot for BlackBerry, but I believe this stock deserves serious attention at today's price. The cybersecurity industry is only expected to continue to grow, which is why I'll be keeping a close eye on this undervalued tech stock.

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2. NYSE:SHOP (Shopify Inc.)
3. NYSE:TD (The Toronto-Dominion Bank)
4. TSX:BB (BlackBerry)
5. TSX:SHOP (Shopify Inc.)
6. TSX:TD (The Toronto-Dominion Bank)

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