



## Sell Shopify Now: Buy This TSX Stock Instead

### Description

**Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) is an incredible stock. In 2015, it went public at \$35. Today, it's above \$1,300.

Few stocks have made investors richer over the past five years. But as with any investment, it's only the future that matters. Now priced at 57 times sales with a \$160 billion market cap, the company's best days are likely behind it.

This isn't to say that Shopify stock won't perform well over the next few years and beyond. The company has an incredible business [model](#) that should continue to scale for decades to come. Growth will persist, but if you want the hyper growth of the past, you'll need to look elsewhere.

The best place to look is at smaller tech stocks that *haven't* begun their massive run. Like Shopify stock in 2015, these businesses are priced at a significant discount to their future value. By getting in early, you will reap the biggest gains.

This type of investing is hard for many. It requires betting on growth *before* it actually arrives. You need to be comfortable taking a bet before the payoff becomes obvious to everyone else.

You won't emulate Shopify's past gains by continuing to hold the stock. The valuation has skyrocketed to extreme heights. The entire stock market is aware of the company.

To find a hyper-growth [stock](#), you need to dig deeper.

## Forget everything you know

Remember **BlackBerry** ([TSX:BB](#))([NYSE:BB](#))? Maybe you even owned one of its phones. In 2008, it held a 20% global market share for smartphones.

The first thing I want you to do is forget everything you know about this company. Otherwise, you'll make the same mistake that the rest of the market is making.

Everyone still thinks this is a phone company, but last year, BlackBerry didn't produce a single device. Instead, it's gone all-in on software, just like Shopify.

The name of the game is cybersecurity. BlackBerry saw this opportunity early, developing cybersecurity products that the competition couldn't match.

Its Cylance division, for example, can thwart attacks before they happen by using artificial intelligence algorithms. Its QNX platform, which secures smart vehicles, is already installed in more than 160 million cars and trucks worldwide.

BlackBerry is at the forefront of cybersecurity adoption, yet, as we'll see, the market hasn't caught on yet.

## Ditch Shopify stock for this

Like Shopify, BlackBerry is targeting a software-based market worth hundreds of billions of dollars. Yet BlackBerry stock trades at just \$4 billion.

The disparity grows even greater when you compare BlackBerry to its direct peers. **CrowdStrike Holdings** trades at 38 times sales, **Zscaler** at 45 times sales, and **Palo Alto Networks** at eight times sales. BlackBerry, meanwhile, trades at three times sales!

To be sure, BlackBerry is earlier in its sales growth. But that's exactly the point. The time to buy Shopify wasn't after it grew in size by 100 times. You want to catch these stocks *early*, taking a bit more risk in exchange for significantly more reward.

Shopify stock remains an incredible business, but if you want to replicate the previous gains, you need to look at smaller stocks.

### CATEGORY

1. Coronavirus
2. Investing
3. Tech Stocks

### TICKERS GLOBAL

1. NYSE:BB (BlackBerry)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:BB (BlackBerry)
4. TSX:SHOP (Shopify Inc.)

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