



The Next Shopify (TSX:SHOP): Consider These 2 High-Growth Tech Beasts

Description

Even after considerable weakness recently, **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) stock is still sitting at a handsome gain of 150% so far this year. The scale and consistency of its rally have been truly unmatched in the last few years. Shopify indeed is a rare gem driven by a unique business model, backed by the cutting-edge technology.

Consider emerging Canadian tech companies **NexTech AR Solutions** (CSE:NTAR) and **Nuvei** ([TSX:NVEI](#)). Both have first-mover advantage in their respective areas, technological edge, and offer substantial growth prospects. It will be interesting to see whether these two can revisit the Shopify growth story.

Like Shopify, NexTech AR is among the winners of the pandemic

NexTech AR is a \$380 million company that specializes in the augmented reality space. The company provides augmented reality solutions to customers, which enables better customer engagement and bottom-line growth. NexTech operates in e-commerce, e-learning and advertising domains.

According to research firm Markets & Markets, the augmented reality market is estimated to grow to \$73 billion by 2024, a solid 47% growth compounded annually.

NexTech AR [announced](#) today that it has achieved \$0.9 million in bookings for InfernoAR in the first three weeks of September. The company expects the momentum to continue through Q4 2020.

InfernoAR is an advanced video conferencing platform that offers automated closed captions and translations to over 64 languages. It will likely be the company's growth engine for the company, particularly amid the pandemic and the ensuing travel restrictions.

That could significantly boost its top line for the quarter. Notably, the augmented reality leader has already been on a roll this year, with its first-half revenues growing by 200% year over year. The stock

is currently trading at \$5.5, with a gain of 160% year to date. NexTech stock has outperformed the tech titan Shopify this year.

Nuvei: A new payment processor for your sports-betting needs

Nuvei ([TSX:NVEI](#)) stock was relatively resilient amid the recent tech sector's weakness. The payment processor marked the biggest initial public offer in Canada for a tech company, raising more than \$800 million.

Analysts are comparing Nuvei to the relatively bigger payment platform provider **Lightspeed POS**. Notably, Lightspeed offers payment solutions to the retail segment while Nuvei specializes in providing a payment technology platform for gambling and sports betting.

Many countries are legalizing sports betting these days, and the U.S. is one of them. Being the first-mover in the niche market, Nuvei is at a [substantial advantage](#) in a high-growth industry. Along with sports betting, Nuvei also serves as a payment platform for financial service providers and retail. Its diversified revenue base will likely bode well for stability if the sports wagering takes longer to take off than expected.

A stock's growth potential matters more for growth investors than its valuation multiple. Shopify stock underlines the same. It has been running well ahead of its earnings for the last few years. The same could happen with Nuvei and NexTech AR.

These two stocks look overvalued at the moment. However, they might continue to trade strong driven by attractive growth prospects.

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Author

vinitkularni20

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