



Artificial Intelligence Investing: 2 Millionaire-Maker Tech Stocks

Description

The development of artificial intelligence will reshape our lives in a variety of ways in the coming years. In the summer, I'd discussed why and how investors should [seek out exposure](#) in this space. A recent report from Grandview Research projected that the global artificial intelligence market would achieve a mammoth compound annual growth rate (CAGR) of 42.2% from 2020 through to 2027. Today, I want to look at two tech stocks that have already made fortunes for investors. Both have a great shot to continue this trend in the months and years ahead.

Why Shopify is the ultimate artificial intelligence stock

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) is an Ottawa-based company that provides a cloud-based multi-channel commerce platform for small and medium-sized businesses in Canada and around the world. Indeed, it hopes to significantly grow its international footprint this decade. Shares of this tech stock have climbed 150% in 2020 as of early afternoon trading on September 29.

In Q2 2020, the company delivered total revenue growth of 97% to \$714.3 million. Merchant Solutions revenue increased 148% to \$517.9 million. Meanwhile, adjusted gross profit climbed 84% to \$381.4 million.

One of the ways that Shopify has been able to offer premium services to its merchants is through its artificial intelligence development. For example, nearly all online ad networks and platforms utilize AI in some way. Retailers are eager to understand consumer behaviour, thoughts, and wants. Through this, they can tailor their advertising and offerings. Shopify can also use artificial intelligence to offer personalization at scale. This means AI can broadly customize content to each individual user.

Shopify boasts an immaculate balance sheet and is geared for big growth for the long haul. The stock is pricey, but still worth targeting as we move into October.

This tech stock is a worthy competitor in the capital

Kinaxis ([TSX:KXS](#)) is yet another Ottawa-based tech company that has hit it big in 2020. The company provides cloud-based subscription software for supply chain operates in Canada and internationally. This tech stock has climbed 85% so far this year.

I'd suggested that investors should [still get in on](#) Kinaxis in June. In the second quarter of 2020, the company delivered total revenue growth of 45% to \$61.4 million. Cash from operating activities increased 252% to \$30.8 million. Profit rose 125% to \$9.0 million.

This company has been able to bolster its supply chain and operations planning software through artificial intelligence development. One way it has achieved this is through machine learning. As it states on its website, "Machine learning and always-on analytics ensure your supply chain is always learning to be more efficient."

These processes would be incredibly time consuming if done manually. Kinaxis' software allows companies with hugely complex supply chains to optimize their processes in a fraction of the time it would regularly take.

Like Shopify, Kinaxis also possesses an immaculate balance sheet. The stock has dropped 7.3% over the past month. Investors looking for an entry point in this top tech stock may want to pounce in the early fall.

CATEGORY

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TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:KXS (Kinaxis Inc.)
3. TSX:SHOP (Shopify Inc.)

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