



Forget Bitcoin! Shopify (TSX:SHOP) Is the Superior Investment if You Seek Massive Gains

Description

Bitcoin has been making [headlines](#) once again following its big bounce to US\$18,000. With speculators looking to get back into the volatile cryptocurrency, I'd continue to urge investors to continue avoiding speculating on the "gold replacement" amid renewed momentum and instead go with good, old-fashioned [common stock](#).

Many intriguing options still exist on the **TSX Index** today. If near- to medium-term upside is what you seek, I'd say you're better off buying one of the many early-stage growth stocks while they're taking a breather after months of soaring with pandemic tailwinds at their back. Sure, the recent slew of positive vaccine news doesn't bode too well for some of the tech-leveraging pandemic beneficiaries such as **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)).

Shopify stock sinks below \$1,200. Bitcoin soars to US\$18,000

Pandemic tailwinds would eventually fade, and many of us knew this before punching a ticket into the stock. Unlike many other firms, most notably toilet paper stock **KP Tissue**, that view the pandemic as a pull-forward in demand rather than a secular acceleration to one's business, many TSX tech stocks are likely going to continue growing at a rampant rate out of this pandemic. While growth rates will slow for such firms coming out of this pandemic, I still think they're capable of enormous gains over the next five years and beyond, as they look to build upon the strength acquired in 2020.

After the recent pullback, growth investors have a chance to double their money with such growth names as Shopify over the next three to five years. The same can't be said about Bitcoin, which remains impossible to value and is at risk of imploding on itself at any time.

Moreover, given it's impossible to evaluate unbacked cryptocurrencies, as their true worth is solely determined by what the next person will pay for it, a price of zero or near-zero, I believe, shouldn't be ruled out. So, unless you're willing to risk your shirt in Bitcoin for a shot at making a quick gain, look to names like Shopify, which, while still high risk at today's frothy valuations, is still capable of retaining its

value in a worst-case scenario.

What's backing your investment?

Shopify has a capable management team with visionary founder Tobias Lütke at the helm. The man knows how to grow in the small- and medium-sized business (SMB) e-commerce arena like nobody else's business.

As Shopify continues building upon its moat while upselling the many merchants that are likely to stand by it for the long run after getting them through the coronavirus crisis, the company could be in for a massive shift to sustained profitability that could send shares rocketing to new heights. Bitcoin, however, has no genius backing it, just expectation that greater fools (based on the greater fool theory, which has nothing to do with us here at the Motley Fool!) will bid up the price further.

Foolish takeaway on Bitcoin vs. Shopify stock

If you have US\$18,000 to buy one Bitcoin, I'd strongly encourage you to put it to work in two shares of Shopify instead, as I'd be willing to bet that the two SHOP shares will be worth far more than a single Bitcoin in two years from now.

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