



2 Under-the-Radar Stocks That Are Way Safer Than Bitcoin

Description

Despite its volatility and the fact that most institutional investors avoid it like the plague, Bitcoin has developed quite a following. Investors and traders gravitate around this intangible asset, and many have amassed fortunes thanks to it. While it has powerful growth potential, its volatility makes it unsuitable as a long-term investment.

If you want to trade crypto, you will need to understand the market thoroughly and develop the right expertise before you can make a profit. So, while its allure is understandable, you might be better off with an investment that's backed by tangible assets and is relatively easier to understand and predict — i.e., stocks.

Two under-the-radar growth stocks might make better additions to your investment portfolio compared to Bitcoin.

An HR services company

Morneau Shepell (TSX:MSI) is a \$1.68 billion market-cap company based in Ontario. It's a B2B company that provides technology-based [HR services](#) to its clients. The company has a remarkable global reach and work with about 24,000 clients in 162 countries. A lot of company's services are created around mental health. It has been around for 50 years and has made several acquisitions, especially in the last 10 years.

While a far cry from Bitcoin's growth rate, Morneau Shepell offers a 10-year CAGR of 16.8%. But a strong point in this company's favour is its consistency of growth. In the last 10 years, the stock has experienced just one major dip, and it was in March 2020. It hasn't fully recovered from the market crash yet. It also pays dividends, and the current yield is at 2.5%.

The company has a strong balance sheet, and it has been growing its net income and revenue almost every quarter in the last five years.

A tech company

The venture capital exchange has a relatively smaller number of companies with sizeable market capitalization and adequate stability. And out of those select few, **Sangoma Technologies** (TSXV:STC) deserves to be on your radar. The company provides business communication solutions, and its major products and solutions include cloud-based phones, carrier services, and video conferencing.

Sangoma has a market capitalization of \$323 million and an enterprise value of \$294 million. It has a very strong balance sheet, and the company has been growing its revenues at a decent pace in the last five years. But the numbers you might be more interested in include its 10-year CAGR of 22.9% or the five-year CAGR of 68%. Sangoma saw a major growth boost after the crash, and the price has grown almost 200% since March.

Foolish takeaway

Like most other growth stocks, both Sangoma and Morneau Shepell are a bit overpriced. But if you consider the growth rate of both companies and their future prospects, that overvaluation seems justified. The best thing about these stocks is the historical consistency of their growth, and it's what makes them quite [different from Bitcoin](#).

CATEGORY

1. Dividend Stocks
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