

Get 1,000% Gains by Investing in the Next Amazon Stock

Description

Everyone wants to invest in the next Amazon. Few will achieve that. To succeed, you need to be in the right place at the right time.

But don't think mega-gains are complete luck. You can stack the odds in your favour.

Start is by analyzing wildly successful stocks like **Amazon** (<u>NASDAQ:AMZN</u>). By doing this, we can find the next 1,000% return investment.

You need to do this now

Forget everything you know about stock-picking. If you want 1,000% returns as fast as possible, you must refine your investing universe. Specifically, stick with software businesses.

It doesn't take a genius to figure out why software companies like Amazon are the quickest way to build a fortune.

Consider a company that makes physical computers. To book another sale, they need to produce another physical product. That takes money, lowering profit margins. It also takes time, limiting the pace of growth.

Contrast this with a company that sells computer software. To boost sales, it simply needs customers to click a download link. Growth comes at almost no cost, and speed is virtually unlimited.

People think of Amazon as a retailer, but it's really a <u>software</u> company. More formally, it's considered an aggregator, bringing together buyers and sellers on a single software platform. Every time a purchase is made, Amazon takes a cut. And with its total addressable market well above \$10 trillion, growth potential is as high as possible.

Want 1,000% gains? Stick with software.

This stock is the next Amazon

One of the most lucrative investments in Canadian history was **Shopify** (<u>TSX:SHOP</u>)(<u>NYSE:SHOP</u>). Shares are up 40 times in value in just five years. But this stock is far from finished.

Like Amazon, Shopify simply takes a cut of the market it enables. Amazon pushes everyone to one place: www.amazon.com. Shopify takes a different approach, powering the *backend* of independent digital shops.

"When you buy through Amazon, you know you're shopping at Amazon. But when you buy through Shopify, you often have no idea, as the marketplace is custom-branded by the individual store," I recently explained.

"If Amazon is the digital **Walmart**, Shopify is the independent store down the block. But instead of owning the store, Shopify gets a cut of sales across the one million stores it enables," I concluded.

Right now, Amazon's market cap is 20 times larger than Shopify's, yet they have similar long-term potential. These businesses are two sides of the same coin — one taking the aggregator approach, the other a platform approach.

But make no mistake, both are software businesses capable of immense growth, with the pace of growth more sustainable than most investors realize.

More 1,000% return stocks

Finding a stock capable of delivering 1,000% gains is difficult. You certainly don't want to have all your eggs in one basket.

Just look at Amazon or Shopify. Both delivered gains above 4,000% in a handful of years. It won't burn a hole in your pocket to take out multiple bets.

The key is to stick with software, but don't forget to fill your portfolio with several options.

CATEGORY

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TICKERS GLOBAL

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