



Investing in 2021? These 2 Stocks Are Riding Unstoppable Trends!

Description

The Fools that abide by Motley Fool investing principles will know that jumping on the latest hot stock is a dangerous game to play. We should not be investing in something based on pure speculation that the stock will continue to rise as it has in the past. However, this doesn't mean that we shouldn't consider the trends that drive these stock movements. In fact, one of David Gardner's Rule Breaker principles is to look for a company that is a top dog and first mover in an important, emerging industry.

With that said, there are a few very clear trends that are occurring in society today. By understanding these trends, we may be able to spot the top stocks that can produce market-beating returns. In this article, I will discuss two stocks that are riding unstoppable trends and have the potential to produce multi-bagger returns over the next few years.

E-commerce will be the biggest trend of the 2020s

In the early 2010s, streaming media companies were one of the most impactful new developments in society. Because of this, companies like **Netflix** have seen their stocks go through the roof over the past decade. I believe that the biggest trend that investors should take note of for the 2020's is e-commerce. For this reason, **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) is the first company that I will discuss in this article.

The adoption of e-commerce has been steadily increasing since the early 2000s. However, it remains a very small proportion of the global retail market. In 2019, online sales accounted for only 14.1% of all retail sales worldwide. When you consider that some areas, like Africa, still only have an internet penetration of 1%, the opportunity seems even more massive.

Shopify is known as being the leading provider of online store building services among English-speaking countries. However, what few investors realize is that its biggest market is actually China. That demonstrates the company's ability to expand into developing regions around the world. If it is able to capture some market share in Africa, it isn't absurd to think that the 4,300% gain Shopify stock has seen [since its IPO](#) will appear very miniscule in a few years' time.

The e-commerce industry serves as a major tailwind for this company

As consumers continue to rely on e-commerce solutions, certain processes will require an adaptation in order to succeed in kind. The digital payments space is one industry that will see a massive change, as consumers continue to immerse themselves in the online shopping space. Because of this, the investment thesis surrounding Nuvei ([TSX:NVEI](#)) is very intriguing.

Nuvei provides payment technology solutions to merchants in more than 200 global markets. Its platform allows more than 450 payment methods and accepts 150 currencies. The company also differentiates itself from its competitors in that it supports in-store, mobile, online, and unattended payments.

Nuvei first made a splash on its first day of trading when it became the [largest tech IPO](#) in Canadian history. Led by a highly acclaimed CEO Philip Fayer, and already having signed major names (e.g., bet365) to its platform, Nuvei appears poised to continue growing.

Foolish takeaway

While following the latest hot stocks is a dangerous game for investors to play, understanding the trends that drive these stock movements is an important tool to have. By seeing the trends that are unfolding within society, investors are able to jump into the top companies operating in those spaces. I believe Shopify and Nuvei are two companies that will continue to grow and reward shareholders for years to come.

CATEGORY

1. Investing
2. Tech Stocks

POST TAG

1. canada
2. growth
3. growth stocks
4. investing
5. long term growth
6. nuvei stock
7. Retail
8. Shopify

9. Shopify Stock
10. Stocks
11. tech
12. tech stocks
13. technology
14. technology stocks
15. tsx growth stocks
16. tsx tech stocks

TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:NVEI (Nuvei Corporation)
3. TSX:SHOP (Shopify Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Investing
2. Tech Stocks

Tags

1. canada
2. growth
3. growth stocks
4. investing
5. long term growth
6. nuvei stock
7. Retail
8. Shopify
9. Shopify Stock
10. Stocks
11. tech
12. tech stocks
13. technology
14. technology stocks
15. tsx growth stocks
16. tsx tech stocks

Date

2025/08/16

Date Created

2021/01/28

Author

jedlloren

default watermark

default watermark