



The Reddit Stock Bubble Will Burst: 3 Smart Stocks to Buy Instead

Description

Lately, some of the best-performing stocks all have one thing in common, they are being pumped on the internet site Reddit. While some stocks may have value and could be worth a buy, most of these businesses are pure speculation. It's pretty evident to many in the industry that the Reddit stock bubble will eventually burst.

At the end of the day, it's a bubble just the same as every other bubble. Many investors who take the risk and try to speculate will end up losing out massively.

These types of risks are never worth it. So, rather than trying to take the get-rich-quick approach, it's much better to have discipline and buy high-quality stocks to [invest for the long run](#).

Here are three of the best stocks to buy now that are much better investments than Reddit stocks.

Forget Reddit stocks: Buy a green energy business for the long term

One of the best investments you can make today is in clean energy. A top stock to consider is **TransAlta Renewables** ([TSX:RNW](#)).

TransAlta is one of the best green energy stocks you can buy in Canada. The company has an incredible portfolio made up of wind, hydro, solar and natural gas. In addition, the company operates in Canada, the United States, and Australia, giving it some significant diversification.

It's no secret that green energy businesses are full of growth potential. However, these businesses are also typically highly stable. Not only is energy one of the most important industries there is, but many of these stocks, including TransAlta, have most, if not all of their power-generating capacity locked into long-term contracts.

This only adds to the stability, which is why TransAlta Renewables, in addition to being a great growth

stock, is also a top [dividend stock](#), too.

A top Canadian tech stock spin-off to buy today

In addition to TransAlta Renewables, another high-quality Canadian stock I'd buy over any of the Reddit stocks is **Topicus.com** ([TSXV:TOI](#)).

Topicus.com is a relatively new stock that only commenced trading back in February. The business is a spinoff from **Constellation Software**, one of the best-performing Canadian stocks ever. Over the last 10 years, Constellation investors have seen a return of roughly 3,000%, so you know Topicus.com has a tonne of growth potential as well.

This is why I would strongly consider a growth stock like Topicus.com rather than speculating on high-risk stocks on Reddit.

Topicus.com is a leading provider of vertical market software and platforms in certain public and private sectors. The company builds, acquires and manages industry-specific software that addresses the needs of its customers.

This is a business model with a lot of potential to grow, especially if the software it owns serves the needs of industries or sectors that are growing.

The company is not profitable yet, but most early [tech stocks](#) aren't. At a \$3.3 billion market cap, though, investors clearly believe it has huge potential.

Since going public in February, Topicus.com has gained 35% already. However, it looks as though there is a lot more potential for growth over the coming years. Rather than speculate on high-risk Reddit Stocks, I'd look to add shares of Topicus.com on a pullback.

A leading communications provider

Lastly, another high-quality and lesser-known tech stock to consider is **Sangoma Technologies** (TSXV:STC)

Sangoma Technologies is a company that's been around for a while, founded back in 1984. The tech stock is a leading voice and unified communications provider.

It offers commercial communications solutions as a service, but also the hardware and software components that enable the systems for its customers. Companies of all sizes in more than 150 countries around the world rely on Sangoma's technology.

Sales have grown by 10 times over the last 10 years. That's impressive growth and shows Sangoma is a much better stock to buy than anything being pumped on Reddit. Furthermore, the increase in communications and remote working over the last year could boost this stock for some time.

The two analysts covering it are majorly bullish on it, each with a price target above \$6. If you're looking for a small-cap growth stock that could have a tonne of long-term potential, Sangoma Technologies is one of the best to buy now.

CATEGORY

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TICKERS GLOBAL

1. TSX:RNW (TransAlta Renewables)
2. TSX:STC (Sangoma Technologies Corporation)
3. TSXV:TOI (Topicus.Com Inc.)

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