



3 Copycat Reddit Stocks I'd Buy Now With Zero Hesitation

Description

Reddit stocks continue to dominate headlines, and, frankly, it's for all the wrong reasons. The social news aggregate has been fuelling stock prices from retail investors. These investors involve themselves in "pump-and-dump" schemes. Instead of buying companies hoping for long-term gains, they pump shares prices with the goal to dump them. This is especially beneficial for day traders. But we at Motley Fool Canada don't like this type of trading.

Instead, there is a way to take what's happening with Reddit stocks and apply it elsewhere. So, here I'm going to look at three Reddit stocks and offer some similar options that I'd buy in the same industry.

Open Text over BlackBerry

BlackBerry ([TSX:BB](#))([NYSE:BB](#)) has [grown yet again](#) as one of the Reddit stocks to beat this year. BlackBerry's stock price surged in the beginning of the year with the promise of electric vehicle (EV) advancement. However, shares quickly plummeted. After rising 273% in under a month, shares then lost almost all gains. Fast forward to today, shares climbed 84% in the last month but are already starting to fall back.

There's not anything necessarily wrong with BlackBerry stock. In fact, Reddit stocks pretty much ruined this stock and its future. Reddit made it a risky stock rather than one that could have seen strong gains over the next few years. But that's unlikely to happen now thanks to the pump-and-dump schemes of Reddit.

Instead, I would consider **Open Text** ([TSX:OTEX](#))([NASDAQ:OTEX](#)). Open Text is the go-to choice for some of the biggest names in tech. It promises not only to defend against cybersecurity threats, hacking, and criminal activity, but to help identify issues within companies. And the company actually has a long history of growth, unlike other tech companies. Shares have climbed 1,629% in the last two decades for a compound annual growth rate (CAGR) of 15.3%. So, if it comes down to BlackBerry stock or Open Text, I would absolutely choose the latter for long-term gains.

Score Media over GameStop

GameStop ([NYSE:GME](#)) was big news back in January thanks to the [short squeeze](#). While it's true that some people made millions during this time, there were also those that lost millions. Again, it's too bad! GameStop stock is a great company for long-term holders, but you're going to have to wait a while.

That's again because of the volatility brought on by Reddit stocks. GameStop stock and its financials are solid. The business model is solid. The balance sheet is also solid! The problem is in the market volatility. Large-scale, long-term investment just isn't there right now. So, investors should probably hold off until things really cool down before investing in GameStop stock.

Instead, I would consider **Score Media and Gaming** (TSXV:SCR)(NASDAQ:SCR). The company not only offers online methods to track your favourite games, but it's on the verge of something huge. While you can already make bets through theScore app, there's one thing missing. That's single game betting. Should the recent bill that passed through the House of Commons soon pass through the Senate, Score could add single game betting to its roster. This would provide a huge source of revenue and thus returns. Shares are already up 254% in the last year, but it could soon grow even higher.

Magna over Tesla

Tesla ([NASDAQ:TSLA](#)) has been all over the place. While billionaire Elon Musk states he doesn't take much stock in stock prices, you cannot ignore that his have done well. After buying back a lot of stock, his shares have grown 1,312% in the last five years alone! And shares have grown 10% this year for investors in this EV company.

While Tesla stock is an innovator, and will likely remain so, it's incredibly pricey. Tesla stock also sees incredible fluctuation in share price by mere tweets sent out by its CEO, then it was fuelled as one of the Reddit stocks. Instead, I would consider a company like **Magna International** ([TSX:MG](#))([NYSE:MGA](#)).

Magna is a car parts provider and is now in the EV industry. After its joint venture with **LG Electronics**, the company now creates electric parts for both EVs and more. Shares are up 92% this year, but it's still fairly valued trading at 25 times earnings. I would absolutely pick this stock up above Tesla stock any day.

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3. NYSE:BB (BlackBerry)
4. NYSE:GME (GameStop Corp.)
5. NYSE:MGA (Magna International Inc.)
6. TSX:BB (BlackBerry)
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