5 Growth Stocks I'd Buy With $10,000

Description

Where should you invest an extra $10,000?

Granted, this is a highly individual question. It depends on all sorts of factors like your age, savings, and financial goals. Not to mention your own risk tolerance — the ability to sleep at night when the market is going against you.

But assuming you have your financial house in order and aren't afraid of a little volatility, there's probably no better place to keep your wealth than stocks. Not only are you paid to own them in many cases, but no other asset class has outperformed equities over the long haul. If your investment horizon is measured in decades, then stocks are by far a better option than keeping your money in a regular savings account.

So with this theme in mind, here are five growth stocks I'd by today with an extra $10,000. Each one pays a healthy dividend to shareholders. And with long-growth runways ahead of these companies, their payouts are likely to grow significantly in the years to come.

TD Bank

TD Bank's (TSX: TD)(NYSE: TD) exposure to the United States, where unemployment is falling and the housing market is recovering, is one of the main reasons to like this stock. Over the past decade, the company has built an enormous banking operation along the country's eastern seaboard. Now with the economy on the mend, investors can expect explosive lending (and dividend) growth in the years ahead.

Enbridge

You wouldn't know it from the prices at the gas pump, but we are in the midst of a North American energy revolution. Thanks to new technologies like horizontal drilling and hydraulic fracturing, vast quantities of oil and gas are now being pulled out of shale fields across the continent. Companies like **Enbridge** (TSX: ENB)(NYSE: ENB) that will ship, store, and process all of this energy are poised to make a fortune.

Open Text

Today, companies are generating more data than ever before. **Open Text's** (TSX: OTC)(NASDAQ: OTEX) applications help businesses turn all of that data into useful information. While this business might not be as sexy as smartphones or other consumer gadgets, the company's profits have grown 70% over the past four years. And with customer demand for Open Text's services poised to increase, shareholders can count on steady earnings growth over the next decade.

Crescent Point Energy

Crescent Point Energy (TSX: CPG)(NYSE: CPG) is the top growth story in Canada's oil patch. Double-digit gains are littered throughout the company's first-quarter results, including a 27% year-over-year pop in fund flows from operations and an 11% bump in daily energy production. Crescent Point will likely sustain this expansion pace thanks to new shale drilling techniques and a big new oil discovery in southern Saskatchewan. While investors wait for this story to play out, shareholders can cash a 6.1% dividend yield.

Dollarama

Dollarama (TSX: DOL) is one of Canada's great business success stories. Over the past four years the company's sales and profits have grown 50% and 200%, respectively. And in 2011, shareholders began to participate in the firm's prosperity after the company issued its first dividend. Given that Dollarama still has room to double its store count nationwide, investors can count on many more distribution hikes in the years to come.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:DOL (Dollarama Inc.)
2. TSX:ENB (Enbridge Inc.)
3. TSX:OTEX (Open Text Corporation)
4. TSX:TD (The Toronto-Dominion Bank)
5. TSX:VRN (Veren Inc.)

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