

TFSA Investors: 3 Explosive Growth Stocks You've Probably Never Considered

Description

There are growth gems hidden in the TSX that are likely completely off the radar of many Canadian DIY investors. While it's important to have large-market-cap blue-chip stocks at the core of your portfolio, it's also a wise idea to also have a few small-cap growth gems to give your long-term performance a boost. If you're a young investor, then such growth plays should be a larger part of your portfolio, since you can really unlock next-level returns over the course of 10 years, 20 years, or even 50 years!

Here are three must-buy growth gems that could evolve into market darlings.

Spin Master Corp. ([TSX:TOY](#))

If you have kids, then chances are you've bought many Spin Master products in the past without even knowing it! Spin Master is one of the hottest toy companies out there, and its durable competitive advantage is its innovation and ability to create incredible IP and impressive brands.

Hatchimals isn't just a one-hit wonder or a fad, as some may think. I believe it's an incredible product that has evolved into a brand that will stick around for years.

The company has a red-hot lineup for the holidays 2017, with not just Hatchimals and Luva Bella at the top of many kid's wish lists. What's Luva Bella? It's an incredibly lifelike physical-digital baby doll that may be this year's version of Hatchimals.

Parkland Fuel Corp. ([TSX:PKI](#))

Parkland Fuel is a fuel retailer that has grown its earnings by leaps and bounds over the years through accretive acquisitions.

More recently, the company made a deal to acquire \$1.5 billion worth of Canadian downstream gas retailers owned by **Chevron Corporation**. The deal is expected to boost EBITDA by as much as \$230 million before synergies are realized. This deal opens doors to many synergy opportunities, which will send earnings through the roof.

Parkland is a solid gas retailer consolidator that will deliver next-level returns to investors who buy and hold on to shares for the long term.

Fairfax Africa Holdings Inc. ([TSX:FAH.U](#))

Interested in obtaining exposure to emerging markets like Africa?

Then you may want to consider Fairfax Africa Holdings, which invests in public and private businesses based in Africa. The company has only been public for less than a year, so as of right now, the company holds mainly short-term debt instruments in addition to a partial investment in a South African

agricultural services company called AFGRI.

Many pundits think that Africa is the next big emerging market, and fortunately for many Canadians, FAH.U is an easy, stress-free way to unlock explosive growth that such a market has to offer.

Bottom line

Foolish investors looking to beef up their long-term returns should strongly consider adding some of these small-cap gems to their portfolios — preferably in a TFSA, so you can watch it grow to six figures over the next few years.

Stay smart. Stay hungry. Stay Foolish.

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1. TSX:PKI (Parkland Fuel Corporation)
2. TSX:TOY (Spin Master)

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