



3 Hot Stocks in Growing Industries

Description

The S&P/TSX Index has surged 4.2% month over month as of close on October 13. The International Monetary Fund released its 2017 and 2018 updated forecast and has projected Canada to continue to lead G7 countries in growth in 2017.

Let's look at three top TSX stocks today that are leaders in some of the fastest-growing domestic industries.

Shopify Inc.

The Ottawa-based e-commerce giant **Shopify Inc.** ([TSX:SHOP](#))([NYSE:SHOP](#)) is first on our list. The stock has increased 237% since its initial public offering in May 2015, and it has climbed 104% in 2017. E-commerce is projected to achieve annualized growth of over 10% until 2022. Retailers have turned to online platforms as the rise of **Amazon.com, Inc.** has dramatically changed the retail landscape.

Shares jumped after the company released impressive second-quarter results, but it has recently found itself the target of short-seller Andrew Left and his investment newsletter Citron Research. The stock has fallen 19.4% month over month. Shopify leadership has been quick to fire back against the criticism from Left, who accused the company of promoting "get-rich-quick" schemes.

Shopify founder and CEO Tobi Lütke dismissed Left as a "short-selling troll" and touted upcoming earnings.

Sienna Senior Living Inc.

Sienna Senior Living Inc. ([TSX:SIA](#)) is one of the largest licensed long-term care providers and seniors-housing owners in Canada. The stock has experienced growth of 11.5% in 2017. For the first time in Canadian history, the proportion of seniors surpassed the proportion of those aged 14 years or younger in 2016. By 2031, seniors are expected to make up almost 25% of the total population. Home care revenue has been projected to grow at an annualized rate of over 3% into 2020.

Sienna Senior Living will undoubtedly reap the benefits of these trends. The company released its second-quarter results on August 9. Same property retirement net operating income saw 10.1% growth to \$6.8 million from Q2 2016. It also increased retirement occupancy to 94.7% compared to 93.5% in the previous year.

The stock also offers an attractive dividend of \$0.08 per share, representing a dividend yield of 4.9% at offering.

CES Energy Solutions Corp.

CES Energy Solutions Corp. ([TSX:CEU](#)) services the North American oil and natural gas industry in North America. The stock has dropped 7.4% in 2017 on lower oil prices, but has increased 34% year over year. Oil- and gas-field services have also experienced impressive growth in Canada. Revenues averaged a 10% annualized return between 2012 and 2014 before dropping off due to the oil crash and waning investment.

Canadian GDP was the beneficiary of a return to investment in crude oil drilling and extraction in 2017. Oil prices have also shown strength in the wake of a brutal hurricane season and OPEC electing to extend its production halt until March 2018.

The company released its second-quarter results on August 10. The company posted revenue of \$237.6 million compared to \$97.7 million in Q2 2016. It also reported net income of \$6.3 million compared to a loss of \$25.5 million the year previous. As another OPEC meeting looms to determine whether or not March 2018 will see a further extension, investors should keep a close eye on oil and gas stocks that could still be a bargain.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:CEU (CES Energy Solutions Corp.)
3. TSX:SHOP (Shopify Inc.)
4. TSX:SIA (Sienna Senior Living Inc.)

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