



In Your 20s? Take This Canadian Growth Stock for a Spin!

Description

For the average 20-something Canadian, saving up for retirement is probably the last thing on their minds. When you bring up the topic of savings or retirement to someone in their 20s, they'll likely tell you that they'll "never retire" or they're "too young" to think about retirement since it's a distant concept.

Millennials value experiences and are not afraid to loosen their purse strings when it comes to vacations or experiences that many folks would have on their bucket lists. As you could imagine, valuing experiences over materialistic goods may seem like a good thing at first, but actually, with everyone taking vacation selfies, it's very easy to be lured into the "keeping up with the Joneses" mentality, which I believe millennials may be more susceptible to than prior generations.

Many millennials aren't investing, and that's a huge problem, not just because the global bull market is surging higher, but because it's going to take significantly more cash to be able to retire for this generation than the past, even if you neglect inflation.

Sure, stock market crashes can be scary to newer investors, but millennials and younger investors need to realize that they need to start investing now; otherwise, "never retiring" could actually end up becoming the reality.

With TFSA accounts and ample resources at your disposal, as a young person, you shouldn't be afraid to take risks and invest in growth stocks. A little risk is [good for a young investor](#), but don't go speculating on Bitcoin and chasing bubbles! When it comes to investing, take a risk, but don't speculate. Ensure you understand the difference between investing and speculation; otherwise, you could scare yourself out of the markets forever, which is, unfortunately, what many millennials have already done.

Consider **Spin Master Corp.** ([TSX:TOY](#)), a rapidly emerging toy company that's essentially a consumer products play and an innovative technology play. If you have kids or a kid at heart, you've probably already purchased a considerable amount of Spin Master products without even noticing!

Hatchimals is Spin Master's flagship product; it has been a major driver of earnings over the past year. It was the hottest toy in Christmas 2016, and today, it's emerged into what appears to be a brand with

staying power through new products that expand into various other toy categories (like COLLEGGtables).

Many pundits thought Hatchimals was a fad, but I've argued it's a powerful brand that's akin to the latest and greatest "iPhone supercycle." The toy is still a hot product today, and it's likely going to continue to drive earnings for years to come, as Spin Master takes advantage of global expansion opportunities.

The stock currently trades at a very modest 22.9 forward P/E multiple, which is a bargain considering the explosive long-term growth potential. With a very strong ROE and ROIC of 36% and 29%, respectively, over the last 12 months, young investors should strongly consider adding a position to Spin Master today — a stock that's capable of delivering [massive upside surprises](#) on its quarterly reports.

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