Milennials: Park These 2 Growth Stocks in Your TFSA and Watch it Swell

Description

When it comes to opportunities, millennials, on average, have it tougher than their parents. But with a smart long-term investment strategy, I believe millennials can pull ahead of previous generations when it comes to finances, allowing them to retire early in spite a tougher work environment, where "part-time" labour is the norm.

Millennials have time on their sides, and with a calculated TFSA growth plan, the amount of tax-free compounding that could happen over the decades is unfathomable for some. By investing in high-quality growth stocks and reinvesting your dividends, you'll be able to snowball your wealth at a profound rate, allowing you to retire a lot earlier than you'd expect.

Without further ado, here are two must-have growth stocks that millennials should have at the core of their TFSA portfolios:

Cargojet Inc. (TSX:CJT)

Cargojet has been riding a considerable amount of momentum over the last few years. It's not a cheap stock, trading at ~66 times trailing earnings. I believe Cargojet is worthy of such a premium multiple, because of the wide moat it's built for itself over the years and the explosive earnings-growth nature of its industry.

The company is a provider of time-sensitive, overnight air cargo services. With a fleet of 21 high-payload aircraft, Cargojet essentially has a monopoly in the Canadian dedicated overnight shipping market.

As e-commerce continues to boom in Canada over the next few years, the demand for overnight shipping will rocket. When combined with initiatives to become a more operationally efficient business, Cargojet is very well positioned to continue to experience explosive growth in the earnings department. This stock is a must-own for the hungriest of growth investors.

Restaurant Brands International Inc. (TSX:QSR)(NYSE:QSR)

Restaurant Brands is the red-hot fast-food juggernaut behind Tim Hortons, Burger King, and Popeyes Louisiana Kitchen. Most of the buzz has been around minimum wage hikes going on at Ontario-based Tim Hortons locations, but this is nothing more than a distraction that has created an attractive entry point for investors on the hunt for the next earnings-growth king.

The company has a capital-light business model that's run by an exceptional management team in 3G Capital, which I believe warrants every penny of Restaurant Brands's premium multiple. Restaurant Brands collects fat royalties from its franchisees and the master franchise joint venture allows the company to expand at an efficient and rapid rate. That means management will save its time and energy on same-store-sales growth initiatives, including menu innovation and in-store enhancements driven by technology.

This business is a cash cow with the capacity to spoil its shareholders with huge dividend increases over the years, all while keeping its foot on the pedal on expansion and comps-growth initiatives. If you're looking for a high ROE and explosive long-term earnings growth, Restaurant Brands is where you'll want to be.

Bottom line

Park these two earnings-growth kings in your TFSA and watch them grow over the next decade and beyond. Both of these stocks have the capacity to grow their dividends at an above-average rate, all while delivering huge amounts of capital gains.

Stay hungry. Stay Foolish.

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