



Top 3 Monster Growth Stocks to Add to Your RRSP

Description

The S&P/TSX Index closed 130 points up on February 23. This marked a strong week that saw the TSX rise 4% from February 16. The TSX is now down 3.5% in 2018 thus far.

In late August 2017, bank earnings season kicked off a roaring few months for the TSX. The fundamentals remain fairly strong for the Canadian economy, with 2.3% growth projected by the IMF in 2018 and solid Q4 2017 numbers. Investors should be on the hunt for value additions that offer big growth as we look ahead to the spring of 2018. Here are three of my top picks going forward.

Canopy Growth Corp. ([TSX:WEED](#))

Canopy is the second-largest cannabis producer in Canada. Cannabis stocks were the main beneficiaries of the late 2017 rally that propelled the TSX to record highs. However, 2018 has been a different story with investor anxiety re-emerging over high valuations. Canopy stock has dropped 6.2% in 2018 as of close on February 23.

Canopy released its fiscal 2018 third-quarter results on February 14. Its foray into international markets paid off, as sales in Germany reached a record \$1 million, all of which was from Canadian production. Its \$21 million in quarterly revenue represented the highest ever recorded in the Canadian cannabis sector.

Sale of recreational cannabis in Canada will be delayed until at least August after senators came to an agreement to hold a final vote on the legislation on June 7. If Bill C-45 is passed on June 7, it will take at least two to three months to roll out legal cannabis for purchase. The development of recreational cannabis industries in the U.S. shows that it may be a slow process to start, but it should be [incredibly lucrative](#) for producers.

Shopify Inc. ([TSX:SHOP](#))([NYSE:SHOP](#))

Shopify is a Canadian e-commerce company based in Ottawa. Shopify stock has already shot up 36.3% in 2018 thus far. The company also scored a deal with Ontario to serve as the platform for online cannabis sales when legalization hits.

Shopify released its 2017 fourth-quarter and full-year results on February 15. Revenue jumped 71% from Q4 2016 to \$222.8 million, and gross profit surged 78% to \$121.1 million. Total revenue grew 71% for the full year to \$673.3 million, and the company posted adjusted net income of \$15.2 million, or \$0.16 per share, compared to an adjusted net loss of \$10.3 million, or \$0.12 per share, in the prior year.

Jamieson Wellness Inc. ([TSX:JWEL](#))

Jamieson manufactures, distributes, and markets sports nutrition products and specialty supplements. The company debuted on the TSX in 2017, and leadership was confident that it could [take advantage of aging demographics](#) to propel growth for years to come. Shares have dropped 8% in 2018 as of close on February 23.

The company released its 2017 fourth-quarter and full-year results on February 22. For the full year, revenue increased 21.1% to \$300.6 million, and adjusted EBITDA jumped 31.4% to \$61.5 million. Jamieson also declared a quarterly dividend of \$0.08 per share, representing a 1.5% dividend yield.

CATEGORY

1. Investing

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1. NYSE:SHOP (Shopify Inc.)
2. TSX:JWEL (Jamieson Wellness Inc.)
3. TSX:SHOP (Shopify Inc.)
4. TSX:WEED (Canopy Growth)

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