2 Deathly Boring Small-Cap Growth Stocks for Profound Long-Term Appreciation

Description

Small-cap growth stocks can profoundly beef up your fund's long-term results, and fortunately, you don't need to take on an exorbitant amount of risk if you know where to look. Small caps, on average, tend to be riskier, but if you find a publicly traded firm that's boring and easy to understand, with fairly solid fundamentals and a very promising growth trajectory, you may have uncovered a gem buried beneath the dirt.

Without further ado, here are two overlooked small-cap growth stocks that are both deathly boring and that treat death as a tailwind:

Park Lawn Corp. (TSX:PLC)

In this world, there are no guarantees, except for death and taxes, of course, and with Park Lawn Corp., you'll be able to profit from the former and owe the latter when you decide to take your profits (unless you hold the stock in a tax-free vehicle like a TFSA).

As morbid as this investment idea may sound, it's, ironically, one of the best ways to keep your portfolio alive through thick and thin, as death tolls will remain consistent, regardless of what the state of the economic environment is at a given point in time.

Park Lawn Corp. is the only memorialization, cemetery, and funeral service stock that's traded on the TSX. Believe it or not, it's one of the fastest-growing firms in the North American death industry with over 100 properties and businesses across North America.

Despite being around since 1892, Park Lawn is actually experiencing growth that's not indicative of such a low-tech, old-fashioned business. The company has been pulling the trigger on acquisitions over the past few years and, as a result, has enjoyed very strong double-digit percentage year-over-year top-line growth numbers — a trend that I believe will continue in time with a high degree of predictability.

StorageVault Canada Inc. (TSXV:SVI)

StorageVault Canada is the <u>best TSXV-traded stock</u>, according to fellow Fool contributor Will Ashworth. Given the company's explosive growth prospects and promising long-term tailwinds, I couldn't agree more and would be very surprised if the stock didn't graduate to the TSX over the next year or so.

The self-storage space is booming, and StorageVault Canada is consolidating a very fragmented industry that's poised to explode alongside the rise of population densification in urbanized areas. Moreover, <u>four secular tailwinds</u> known as the "four D's" are slated to continue to drive demand for self-storage units to sky-high levels. The four D's are downsizing, dislocation, divorce, and death (yes, death again) — events that will require people to pay rent, not just for themselves, but for their

stuff.

We value our stuff, but given sky-high rental prices of condos in the downtown core, for many of us, it's not in the cards to get a place that's big enough to fit it all. That's where self-storage units come in.

Bottom line

Yes, both these stocks are boring — deathly boring — but over the next decade, investors will stand to profit very profoundly with such a stock at the core of their portfolios. Their respective growth stories, I believe, can no longer be ignored, and as each stock surges past the \$1 billion market cap mark, I suspect each firm will begin to receive the coverage they deserve.

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