

2 Growth Stocks That Could Double Over the Next Decade

Description

Trade wars and geopolitical shifts have dominated headlines this calendar year, and these events have markedly moved indexes all over the world. While [discussing geopolitics](#), we usually reference the impact it may have on oil or precious metals prices, but today we are going to talk about how policy change can impact investment.

The push for U.S. tax reform drove up U.S. indexes to record highs in 2017, as it became clearer and clearer that the Trump administration would succeed in passing its new legislation. The last Canadian federal election ushered in a cannabis investment boom that has seen valuations soar into the billions for companies that still have modest annual revenues in comparison.

Today, we are going to look at two stocks that could benefit from new legislation and policy changes in the coming years. Both stocks have posted monster growth in recent years but could be poised to rise even higher over the next decade.

Stars Group Inc. (TSX:TSGI)(NASDAQ:TSG)

Stars Group stock has surged 65% in 2018 as of close on July 26. Shares are up 115% year over year. Back in January, I'd [recommended that investors bet on Stars Group](#) as a key decision to pave the way for legalized sports gambling in the United States was nearing a decision.

On May 14, the U.S. Supreme Court struck down the federal law that barred single-game gambling in most states, with Nevada being the only state where the practice was legal. Stars Group issued a press release praising the decision the following day. Online and mobile wagering will soon be legal in the state of New Jersey — one of the largest gambling markets in the United States. New Jersey recorded \$16.4 million in sports bets since New Jersey officially legalized sports betting on June 11.

Stars Group is set to release its second-quarter results on August 8. It will take time for legal sports betting to take full effect across the U.S., but Stars Group will reap the rewards from this incredibly lucrative source of gaming revenue in the decades to come.

Kinaxis Inc. ([TSX:KXS](#))

Kinaxis stock has surged 23.8% in 2018 so far. The Ottawa-based provider of software solutions for sales and operations planning may not benefit from any specific policy forthcoming in Canada and the United States, but its services will be in high demand if current trends persist. The rise of protectionism will add another layer of complexity to global supply chains processes.

Kinaxis's RapidResponse product provides companies the ability to improve capabilities through evaluation and alerting, high-speed analytics, scenario simulation, and other offerings. The company is set to release its second-quarter results on August 2. In the first quarter, Kinaxis reported subscription services growth of 24% year over year to \$26 million, and adjusted EBITDA rose 8% to \$12.5 million. The stock is up over 600% since its IPO in June 2014.

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