TFSA Investors: 2 Stocks That Can Provide Massive Growth Over the Next Decade

Description

Late 2018 has been dreary for the financial world. The S&P/TSX Composite Index had dropped 9% in 2018 as of close on December 13. The financial and energy sector has struggled mightily over these past few months, but there are other options for investors as 2018 winds to a close.

The TSX does not have close to the healthcare weighting that the S&P 500 does in the United States, but that does not mean that there are not attractive options available. Consumer defensives are also drawing attention in a choppy market. The two stocks we will cover today boast significant promise in their respective sectors.

Zymeworks (TSX:ZYME)(NYSE:ZYME)

Zymeworks is a Vancouver-based clinical-stage biopharmaceutical company. Shares of Zymeworks have surged 108% in 2018 on the back of enthusiasm for its product candidate, ZW25. However, the stock has been relatively flat since peaking and retreating in the late spring.

The company's lead drug ZW25 has generated promising phase one data. It is still early, but there is potential for ZW25 to develop into a best-in-class therapeutic. According to Global Market Insights, the global breast cancer therapeutics market will surpass US$28 billion by 2024. This represents compound annual growth of 9% over a five-year period.

In late November, Zymeworks announced that it had entered a strategic collaboration with **BeiGene**, a commercial-stage biopharmaceutical company. This grants BeiGene exclusive development and commercial rights to ZW25 and ZW49. Zymeworks recently submitted an Investigational New Drug (IND) application for ZW49.

The company is an exciting prospect and has the potential to provide massive growth to investors willing to bet on its impressive, but still early, product data. Zymeworks stock is near overbought at an RSI of 67 as of close on December 13. Value investors may want to wait on a pullback in the new year.

Jamieson Wellness (TSX:JWEL)

Jamieson Wellness is a sports nutrition and supplements company based in Toronto. Shares of Jamieson have climbed 9.8% month over month as of close on December 13. The stock slipped sharply into oversold territory following the release of its third-quarter results.

In the third quarter, Jamieson saw its revenue rise 3.7% year over year to $83.1 million. Adjusted net income rose to $8.9 million over $7.8 million in the prior year. Jamieson announced a distribution agreement in India on the same day of its report, which the company hopes will fuel its aggressive international sales push. Its specialty brands segment and health food channel posted disappointing sales in Q3, which caused Jamieson to narrow its revenue forecast for the full year.

The global dietary supplements market is expected to grow to over US$220 billion by 2022 and could reach as much as $280 billion by 2024, according to a report from Grand View Research. Jamieson is well positioned to capitalize from these trends over the next decade. Its stock also offers a quarterly dividend of $0.09 per share, which represents a modest 1.5% yield.

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Date
2025/08/24
Date Created
2018/12/16
Author
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