3 Growth Stocks to Trust Over the Next Decade

Description

Over this past week I've discussed how a political crisis could negatively impact Canadian stocks. We also looked at some of Canada's top financial institutions. The **S&P/TSX Composite Index** has charged out of the gate in 2019, but the reality of low growth and rising trade tensions will continue to make an impact in the market.

Instead of dwelling on potential economic headwinds, today I want to focus on three stocks that are well positioned to offer top end growth for investors over the next decade. Let's dive in.

Jamieson Wellness (TSX:JWEL)

Jamieson Wellness is a Toronto-based nutrition and supplements company. Shares have been mostly flat in 2019 so far and the stock is down 2.9% year over year. Jamieson took a hit after the release of its third-quarter results. The company narrowed its outlook and was the victim of poor timing, with Strategic Partners revenue expected to spill into Q4.

Jamieson is expected to release its fourth-quarter results in late February. In the first nine months of 2018 Jamieson reported revenues of $230 million over $216 million in the prior year. Adjusted net income has climbed to $21.5 million compared to $17.8 million in the same period in 2017. Jamieson stock has held steady in neutral territory since it set off oversold signals following its Q3 report.

Jamieson's growth is dependent upon demographic shifts and an ambitious international expansion. The growth of the global supplements industry is promising and will drive growth at Jamieson for years to come. The stock also offers a quarterly dividend of $0.09 per share representing a modest 1.6% yield.

Park Lawn (TSX:PLC)

Park Lawn is a Toronto-based company involved in the disposition and memorialization of remains in Canada and the United States. Shares have climbed 7.6% in 2019 as of close on January 17. The stock is up 4.4% year over year.

Park Lawn reported its third-quarter results in November 2018. Solid organic growth and strategic acquisitions powered a 92.9% year-over-year increase in revenue to $43.2 million in Q3 2018. Adjusted net earnings soared 103.2% to $4.5 million. The company is expected to release its fourth-quarter and full-year results in the early spring.

Park Lawn is also reliant on demographic trends to propel growth going forward. The company is flush with cash compared to its peers, giving it a distinct advantage heading into the next decade. The stock last paid out a monthly dividend of $0.038 per share, representing a 1.8% yield.

Goeasy (TSX:GSY)

Goeasy stock has surged 16% in 2019 so far, and shares have climbed 9.3% year over year. The alternative financial services company rose to an all-time high of $54.80 in late September before succumbing to the global stock market sell-off.

Goeasy has reported a large expansion in its loan book portfolio in recent quarters. The path of rate tightening has put the squeeze on Canadian consumers, and companies like Goeasy and stepping up to offer alternatives as top lenders are being forced to turn away business. In the third quarter, Goeasy reported a 40.5% increase in loan originations fueled by demand for its core unsecured loan product.

The tightening trend may be paused in 2019, but rates are still off from the central bank's "neutral" target, which means that more pressure will be applied to consumers into the next decade. Services offered by Goeasy and other alternative lenders will see heightened demand. Goeasy stock last announced a quarterly dividend of $0.225 per share, representing a 2.1% yield.

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2. TSX:JWEL (Jamieson Wellness Inc.)
3. TSX:PLC (Park Lawn Corporation)

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