



## Millennials: Stash This Underrated Growth Stock in Your TFSA Before it Flies to the Moon

### Description

As a young investor, you can afford to take calculated risks on potential multi-bagger opportunities. If you can tell the difference between speculation and a smart, long-term growth investment, you'll increase your odds of capturing a multi-bagger over the long run, and the best part is, within a TFSA, you won't owe a penny to the tax man.

When going on the hunt for the next big multi-bagger, it's common to chase "get-rich-quick" speculative or trendy securities that may lose you big money, causing you "double damage" as proceeds within a TFSA are worth more than the same amount in a non-registered account.

What's an investor to do? Forget about trading. You want sustainable growth companies that you'll feel comfortable owning for years, if not decades at a time.

Consider **Constellation Software** ([TSX:CSU](#)), a high-growth software company that's been ripping higher over the past few months. Back in September, I called Constellation a [perennial outperformer](#) that would profit profoundly from Canada's tech boom, praising the company for its remarkable low-volatility growth that was incomparable to almost anything else on the TSX index.

The company has sustained [ridiculously high](#) ROE and ROIC numbers over the past decade. Most recently, Constellation has posted 51.6% and 36.1% in ROE and ROIC, respectively, on a trailing 12-month basis. These profitability numbers can only be described as remarkable, and as a four-bagger over the last five years, Canadians have got to be paying attention to the company, which keeps knocking it out of the ballpark, posting growth numbers that you wouldn't think would be possible for a company with a sizable \$25 billion market cap.

Top- and bottom-line numbers continue to hover in the double digits, and that's thanks to Constellation's management team, which has been nothing short of applaud-worthy. They're spotting opportunities in Canada's micro-cap tech scene, and they're fostering economic growth in Canada's tech scene like it's nobody else's business.

While management has definitely flexed its muscles and is worthy of fat compensation packages, it's also remarkable that they've kept the interests of investors in mind, with no shareholder-dilutive activities conducted since the dot-com bust.

Despite the extremely shareholder-friendly nature and stellar growth numbers posted by the company, management isn't interested in doing conference calls, leaving many analysts in the dark. Moreover, Constellation's lack of conference calls has kept the stock relatively under the radar, as such calls make the jobs of analysts easier, and the lack of them make many prospective analysts reluctant to initiate coverage in a name that's worthy of more attention from the financial media.

## Foolish takeaway on Constellation Software

Millennials should have a core spot in their TFSA's reserved for Constellation. It's a growth heavyweight that's not slowing down, and the management team's abilities and nature are worthy of your investment dollars, even after the recent post-earnings pop that sent the stock to new highs.

I think Constellation is shooting for the stars, so if you've got the cash, it's time to hop aboard the ship!

Stay hungry. Stay Foolish.

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