



TFSA Investors: 2 Monster Growth Stocks to Buy Now

Description

Tax-Free Savings Accounts (TFSAs) are perfect for building your wealth. You can buy stocks with high growth potential and not have to worry about paying a hefty tax bill when you sell shares for whopping capital gains.

Here are two monster growth stocks you should consider buying now.

Take a bite out of Goodfood

Most households leading busy lives and a growing population of health-conscious minds is the perfect combination for the monster growth of Montreal-based [Goodfood Market \(TSX:FOOD\)](#), which was founded in 2014. At \$3.59 as of writing, Goodfood had a market cap of about \$207.7 million.

Goodfood's revenue was \$70.5 million in fiscal 2018, which represented revenue growth of about 612% per year between fiscal 2015 and 2018. The fiscal 2018 revenue increased by 256% over fiscal 2017. Goodfood's gross margin was 20.8% in fiscal 2018, an improvement from 18.1% in fiscal 2017.

Goodfood delivers fresh and pre-portioned ingredients that make it easy for subscribers to prepare healthy and delicious meals at home by following simple recipes.



Compared to its peers, Goodfood has higher customer loyalty. As of the end of February 2019, Goodfood had 159,000 active subscribers, an increase of 26% from just three quarters ago at the end of November 2018.

The current focus on Goodfood is to grow market share and scale, which should allow it to enjoy economies of scale and lead to net profitability down the road. There's also a chance that Goodfood could be acquired by a large grocery chain in the future, much like how **Metro** bought MissFresh in 2017.

Analysts have a price target of \$5.10 on the stock, representing near-term upside potential of 42%.

Enjoy safe growth from Savaria

A rising aging population is a tailwind for **Savaria** ([TSX:SIS](#)). The roots of the Quebec-based stock go as far back as 1979. At \$13.72 as of writing, Savaria had a market cap of about \$621.4 million.

Today, Savaria is a global and more diversified company, designing, developing, and manufacturing a wide range of products for personal mobility including stairlifts, wheelchair lifts, ceiling lifts, residential and commercial elevators, and the conversion and adaptation of vehicles.

Savaria's revenue was \$286 million in 2018, which represented revenue growth of about 44% per year between 2015 and 2018. The 2018 revenue was 56% higher than in 2017. Savaria's gross margin was 32.6% in 2018 compared to 34.8% in 2017.

On Monday, Savaria announced a bought deal private placement of five million common shares at \$14.15 per share, which is estimated to raise gross proceeds of about \$70.75 million for the company. So, investors can buy some shares on the market for about 3% cheaper.

Savaria intends to use the funds to invest back into the business to maximize sales or to make strategic acquisitions.

Analysts have a price target of about \$18 on the stock, representing near-term upside potential of 31%.

Investor takeaway

Goodfood Market and Savaria are solid [growth stocks](#) to consider buying right now for tax-free price appreciation in your TFSA.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:FOOD (Goodfood Market)
2. TSX:SIS (Savaria Corporation)

PARTNER-FEEDS

1. Msn
2. Newscred
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