



2 TSX Index Growth Stocks Millennials Should Own in Their TFSAs

Description

As a Canadian millennial, you're probably not tying yourself down with a mortgage. Given today's stricter mortgage requirements, you may not even be able to even if you wanted!

Don't fret though. There are far better uses for your cash hoard, and if you've got the room in your TFSA, there are two [solid investment ideas](#) that I'd like to share with you.

The two names may be more volatile, but given you're able to have an investment horizon beyond five years, I'd say the extra volatility is well worth the added long-term growth potential. So, without further ado, let's have a brief look at two top growth names that young investors may want to consider for their TFSAs. And [spoiler alert](#), you won't find marijuana stocks here!

Alimentation Couche-Tard (TSX:ATD.B)

Kicking off the list, we've got the convenience store roll-up that's taken the world by storm.

Several years ago, Couche-Tard had a new acquisition announcement every few weeks. Since Couche-Tard has a proven track record of producing huge synergies that drive long-term value for shareholders, such announcements served as rocket fuel for the stock.

Over the last two years, Couche-Tard hasn't been making the headlines with regards to M&A. The company has been rolling up its industry for many years, and with all the new stores in the portfolio, it was only prudent for management to do a bit of "spring cleaning" to get each store operating at Couche-Tard's high standard.

Such efforts were largely unnoticed until the company pulled the curtain on a few incredible earnings reports last year. Same-store sales growth numbers were ripping and the company continued to rake in cash to pay off debt to repeat the M&A cycle.

Couche-Tard is a proven EPS grower, and with exceptional stewards running the business, investors can expect a high return on investment over a prolonged time horizon. Couche-Tard is picking up

traction again, and today, you can grab the global growth king at less than 17 times trailing earnings.

TFI International ([TSX:TFII](#))

Up next, we've got a stock that keeps on truckin'. TFI is mostly an under-the-radar trucking business that doesn't get the media attention it rightfully deserves. The stock has been a 10-bagger since soaring out of the depths of the last recession, and with the company revealing yet another astounding quarter, I think long-term investors ought to start appreciating the company and its underrated moat.

For the first quarter, TFI saw its bottom line grow by an astounding 33% thanks to the robust core trucking business. Net income was clocked in at \$65.1 million, up over 29% year over year to \$50.4 million. Record revenue of \$1.23 billion (\$1.1 billion minus fuel surcharges), up from \$1.196 billion over the same quarter last year, was reported for the quarter as shares took off over 5% in the ensuing trading session.

Alain Bedard, TFI's CEO, touted the company's strong track record and its ability to outperform "regardless of the [state of the] economic cycle." Given the cyclical nature of the transport business and the fact that the broader North American economy experienced a significant slowdown, it's quite remarkable that TFI was able to blow away the numbers at a time when most analysts were expecting a shortfall.

Management is worth betting on, and with shares trading at just 14.2 times trailing earnings, I'd strongly encourage young growth-savvy investors to back up the truck today, as I think there's much more upside to come once the North American economy gets back on track.

Stay hungry. Stay Foolish.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:TFII (TFI International)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Investing

Date

2025/09/05

Date Created

2019/04/27

Author
joefrenette

default watermark

default watermark