2 Top Growth Stocks to Hold for the Next 50 Years

Description

The last couple of weeks have brought about significant volatility in the markets. Renewed trade war tensions have sent the markets tumbling. Over the past month, the TSX Composite Index is down approximately 3%.

It is not all bad news. Amid the uncertainty, two growth stocks have been hitting new highs. **Park Lawn** (TSX:PLC) and **CGI Group** (TSX:GIB.A)(NYSE:GIB) have both outperformed the market. The best part? Neither is showing signs of slowing down.

A top consumer defensive stock

Park Lawn is up 14.88% over the past month and has gained 25% since the start of the year. The company is one of the best defensive stocks on the TSX. It is the only publicly listed company that operates in the deathcare products industry. It is a leading owner and operator of cemeteries, crematoriums, and funeral homes.

The company has been growing at an impressive pace. Over the past five years, earnings have grown by almost 16% annually. It's a pace that has been on the rise. Over the next couple of years, analysts are now expecting annual earnings growth of 23%.

Park Lawn operates in a highly fragmented industry — one that is ripe for consolidation. Park Lawn has taken full advantage of this, making a boatload of acquisitions. It's a strategy that has served the company well and will continue to propel it to new heights.

As the saying goes, there are only two certainties in life — death and taxes. Park Lawn specializes in the former.

A top tech stock

What makes CGI Group stand out among its peers in the tech industry? Consistency and reliability.

Over the past year, CGI is up by approximately 18% this year and its stock price has grown by 41% on average over the past five years.

An investment in CGI was one of the easiest calls to make in the sector. Management has a strong history of execution. In 2016, the company announced plans to double in size over the next five to seven years. At the mid-range, the company would have to grow by 12% annually to meet its target.

This is in line with the company’s five-year average of 12.35% annual earnings growth. As such, the target is well within reach. There are very few companies that can reliably double over such a short time period. CGI is one of the exceptions.

Much like Park Lawn, CGI is a serial acquirer. It has an impeccable record of picking up companies on the cheap and seamlessly integrating them into operations.

Foolish takeaway

These two companies operate in industries that are ripe for consolidation. The opportunities are many and investors can feel comfortable adding them to their portfolios. Unless science can defeat death and technology becomes obsolete, you can hold Park Lawn and CGI Group indefinitely.

CATEGORY

1. Dividend Stocks
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. NYSE:GIB (CGI Group Inc.)
2. TSX:GIB.A (CGI)
3. TSX:PLC (Park Lawn Corporation)

PARTNER-FEEDS

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

Category

1. Dividend Stocks
2. Investing
3. Tech Stocks

Date
2025/08/26
Date Created
2019/05/27
Author

mlitalien