A Look at 3 of the Hottest IPOs in the Past 5 Years

Description

Given all the hype surrounding IPOs I thought it would be good to look back at some of the biggest ones on the TSX over the last five years to see how they've done since going public.

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Shopify (TSX:SHOP)(NYSE:SHOP) has become one of the most popular names in tech, as the company has experienced tremendous growth in just a short amount of time. The company has come a long way since its IPO back in May of 2015. Starting at over $35 a share on day one, the stock has risen more than 1,100% and has been one of the best success stories on the TSX. There aren't many big tech companies in Canada, but Shopify is certainly one that has made a name for itself around the world. At more than $400 a share, the sky is the limit for the stock, as it continues to see strong, nearly 50% growth year over year.

Although the company may not have a lot of moat and is facing rising competition, the size of the market and the opportunities available to Shopify are still what attract investors today. It wouldn't be at all surprising to see the stock potentially hit the $500 mark sometime this year.

Restaurant Brands International (TSX:QSR)(NYSE:QSR) was created five years ago when Burger King and Tim Hortons merged. It's been a while that the two brands have been joined together, and although there have been concerns surrounding Tim Hortons since then, it remains as popular as ever with no shortage of people lining up inside of its stores every day.

While the stock's returns pale in comparison to what Shopify has been able to achieve, Restaurant Brands has still doubled in value since it began trading on the TSX. Nowadays, however, it's a bit of an expensive buy and with growth being a big question mark surrounding the company, investors may not be as willing to ignore its high multiples the way they are willing to do so for Shopify.

The good news is that with more international growth planned for Tim Hortons, there's still a lot of potential room for the company to grow its sales in the future.

Canada Goose Holdings (TSX:GOOS)(NYSE:GOOS) is another high-growth stock that has done a phenomenal job since listing on the TSX back in 2017. Although it has climbed more than 150% since it began trading, its returns were even higher back in November before the stock went into a big tailspin that all started with a controversy involving China that had nothing to do with the actual company itself.

Nonetheless, even with some big stumbling blocks along the way, Canada Goose has been able to produce terrific returns for early investors. Like Shopify, the stock has been producing strong growth each quarter. Although Canada Goose disappointed investors with its most recent quarterly results, there's still room for the stock to recover. With a great direct-to-consumer segment that gives the company some strong margins, what may be best about the stock is that it doesn't need a strong retail presence to grow and be successful.

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