



## RESP Investors: Turbocharge Your Kid's Education With These 2 Hyper-Growth Stocks

### Description

RESPs are one of the best ways to plan for your children's future, owing to their tax benefits and contribution matching from the government. A secondary benefit of having a RESP is the generally longer time horizons associated with these accounts, as the post-secondary years are usually a decade or more away. And, of course, longer time horizons mean the chance to take on higher risk and pursue higher returns. Here are two hyper-growth names that offer just that.

### Canopy Growth

The first one on the list is a clear no-brainer. As the clear market leader in cannabis, **Canopy Growth** ([TSX:WEED](#))(NYSE:CGC) is poised to dominate one of the fastest-growing industries in the world for years to come. To give you an example of its growth trajectory, last fiscal year sales came in at \$226 million, up from \$78 million the year prior. Furthermore, Canopy is the only producer in Canada that owns an option to expand into the even larger U.S. market, through its merger with leading American multi-state operator, **Acreage**.

On the cash side of things, Canopy is well funded to take advantage of and scale up in the coming multi-year cannabis bull market, through its US\$4 billion investment from **Constellation Brands**, meaning that dilution risks for this company remain low. Finally, the stock has also [fallen off its all-time highs](#), thanks to quarter that came in slightly below expectations, leading to the departure of CEO Bruce Linton. Currently trading in the low \$40 range, I believe near-term risks are priced into Canopy at this level, and you're picking up this industry leader at a bargain.

### Lightspeed

**Lightspeed POS** ([TSX:LSPD](#)) has been one of the most successful Canadian IPOs ever, returning 110% since going public in March. If you're familiar with **Square**, then you'll understand Lightspeed's business model. Essentially, the company provides point-of-sale services (hardware and software) to

small- and medium-sized enterprises and charges subscription-based fee on a recurring basis. Earlier this year, Lightspeed began to roll out a transaction volume-based model, like **Shopify's** Plus, to take advantage of the growing popularity of its platform.

In terms of numbers, Lightspeed's 2019 revenues came in at \$77.5 million, or an increase of 36% over the previous year, on very impressive gross margins of 70%. Although this is becoming an increasingly competitive arena, there's no arguing with Lightspeed's popularity: 2019 also saw its total installed locations jump to ~49,000 from ~41,000 in the prior year. However, I will leave you [with one warning](#): as the stock is a recent IPO, be prepared for a bit of pullback after the share lock-ups expire later this year.

## The bottom line

Both these companies are future-proof, high-growth stocks that will probably become household names by the time your kids go to college. So, why not jump on these rockets before they take off and turbo charge your children's education?

### CATEGORY

1. Cannabis Stocks
2. Investing
3. Tech Stocks

### POST TAG

1. Cannabis
2. Editor's Choice

### TICKERS GLOBAL

1. NASDAQ:CGC (Canopy Growth)
2. TSX:LSPD (Lightspeed Commerce)
3. TSX:WEED (Canopy Growth)

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vmatsepudra

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