



3 Turbo Growth Stocks Set to Explode Soon

Description

Is it true that there'll be no growth opportunities in a declining stock market? Not quite. On the contrary, some companies will post robust growth in spite of a downturn.

Enerplus ([TSX:ERF](#))([NYSE:ERF](#)), **Kinaxis** ([TSX:KXS](#)), and **Stella-Jones** ([TSX:SJ](#)) are capable of generating sustainable positive cash flow and increasing earnings regardless of the market environment. These [growth stocks](#) are recession-resistant and could even soar.

Double-digit growth

You can't dismiss Canada's first oil and gas royalty trust because the stock is underperforming so far this year. Enerplus is one of the few independent exploration and production companies in North America that offers unconventional, organic growth opportunities.

Since its founding in 1986, the company has built a portfolio of high-quality and capital-efficient oil and natural gas assets. The company's assets in North Dakota and Montana (the Williston Basin), and northeast Pennsylvania (Marcellus natural gas shale play), as well as oil assets in western Canada, provide a platform for profitable growth and competitive financial returns.

The 147.95% increase in net income for the first half of 2019 versus the same period last year is a sign that business is perking up. From here on, management expects double-digit, corporate-level returns or an annual growth rate of 36.94% in the next five years.

There's also room for dividend growth in the future, as Enerplus exploits the building momentum. The stock pays a 1.49% dividend with a low payout ratio of 6.7%. Currently, Enerplus continue to buy back shares and return capital to shareholders. On a year-to-date basis, the company has returned over \$115 million.

Persistent growth

If you want to have a hedge against recession or volatility, tech stocks are good options. Kinaxis, [a premier tech stock](#), hasn't reached a mature stage, so growth in the next four years could be more explosive than the last four years. The growth estimate this year is 23.7%.

The supply chain universe needs Kinaxis's revolutionary cloud-based, software-as-a-service (SaaS) solutions. Companies across various industries can't maximize business performance unless supply chain operations are running smoothly.

Kinaxis has the pioneering cloud-based subscription software that could improve processes and eventually solve or simplify all complex problems related to supply chain management. Amid the noise of recession, analysts see the tech stock rising to the \$100 mark, or a gain of 31.9% from its current price of \$75.82.

Infinite growth

There's only one word to describe Stella-Jones's business: *solid*. The company's industrial pressure-treated wood products are vital infrastructure needs. Stella-Jones manufactures them for use as railway ties, utility poles, and residential lumber among others.

Stella-Jones is in no danger of losing its large market share in North America. The extensive distribution network allows the company to supply all the requirements of the continent's electrical and telecommunications industries, railway operators, and residential, retail market.

Total annual sales to this client base are \$1.9 billion. This year, however, the company expects to end 2019 with a net income of \$163.4 million on total revenue of \$2.2 billion. Most of the utility poles in North America are due for replacement. And the finite life of these poles means infinite revenue for Stella-Jones.

Assured growth

An impending recession shouldn't influence your decision to invest. Enerplus, Kinaxis, and Stella-Jones will continue to post growth and overcome the growing pessimism.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Tech Stocks

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:ERF (Enerplus Corporation)

2. TSX:ERF (Enerplus)
3. TSX:KXS (Kinaxis Inc.)
4. TSX:SJ (Stella-Jones Inc.)

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