Millennials: 2 Cheap Canadian Growth Stocks to Hold Through 2020

Description

The recent growth-to-value rotation has opened up some pretty compelling buying opportunities for value-conscious growth investors who don't want to have to pay up for double-digit growth numbers.

Although growth is out of favour, as investors look to reduce their exposure to excessive downside come the next recession, I think it's in the best interest of young investors like millennials to continue buying and holding growth names with a long-term mindset.

Here are two high-growth stocks that are now trading at remarkable discounts.

Spin Master

Spin Master (TSX:TOY) stock has been a dud over the last year and a half thanks primarily to the bankruptcy of U.S.-based Toys "R" Us locations.

Now that Toys "R" Us is set to return from the dead to fill in the void in the brick-and-mortar toy scene that it left behind, Spin Master should have regained some of the ground it's lost. At the time of writing, Spin is off over 30% from its all-time high, and with a recession on the horizon, many investors see Spin as a discretionary name to avoid.

While toys and games are indeed a discretionary spend, they're not like most other discretionaries out there. Come the holiday season, children will still expect plenty of gifts under the tree, and it doesn't matter to them how the economy is doing.

Even the parents who are lacking in consumer confidence will need to find a way to get this year's Hatchimal or "Turboman" of the holiday season. And with innovation in Spin's veins, it appears as though the company may have another must-have toy for the 2019 holiday season with Owleez, a flying baby owl that kids can "teach" how to fly.

With double-digit growth on the horizon and a potential surprise coming from the 2019 holiday season, Spin is a strong buy as it continues hovering around in limbo.

Canada Goose Holdings

Up next, we have **Canada Goose Holdings** (TSX:GOOS)(NYSE:GOOS), a Canadian IPO success story that got shot down with most other high-growth discretionaries. The stock has been ridiculously volatile, with shares getting clobbered nearly 8% on Tuesday, as investors flocked to safety.

$1,200 parkas are among the first of items to scratch off the list in an economic slowdown. And although Canada Goose could face even more downside in a full-blown recession, I think the company itself will come roaring back once we enter the next market cycle.

Management continues to do everything right with brand awareness initiatives and its “trifecta of growth” (online/wholesale/brick and mortar), a term that fellow Fool Will Ashworth coined in a prior piece. With a massive growth runway in China, I think the Goose will one day fly high again once the economy gets out of its rut.

Don’t back the truck up on shares just yet, but do get some skin in the game and be ready to buy more shares on further weakness. The Goose is still in the very early innings of its growth story. The stock is just feeling the effects of exogenous economic effects that management can’t really control due to the nature of its business.

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