TFSA Investors: 3 Amazing Growth Stocks to Buy for 2020

Description

Hello, Fools. I'm back to draw attention to three attractive growth stocks. Why? Because companies with rapidly growing revenue and earnings:

- have far more appreciation potential than the average stock; and
- can help you outperform during bad times as investors flock to truly special growth stories.

As legendary investor Warren Buffett once said, "Put together a portfolio of companies whose aggregate earnings march upward over the years, and so also will the portfolio's market value." This makes particular sense in a TFSA account where all the upside is tax free.

Let's get to it.

Good game

Leading off our list is **Great Canadian Gaming** (TSX:GC), which has grown its EPS and revenue at a rate of 202% and 203%, respectively, over the past five years. Year to date, shares of the casino operator are down 11%.

Despite the lacklustre price performance, Great Canadian continues to use its scale (25 properties across Canada) and experience (inception in 1982) to deliver exceptional growth for shareholders.

In the most recent quarter, EPS of $0.79 topped estimates by $0.04 as revenue jumped 20% to $354 million.

"The second quarter ended with the successful completion of the sale of Great American, which now allows Great Canadian to focus on its core growth markets as we continue to execute on our operational and development plans for 2019 and beyond," said CEO Rod Baker.

Great Canadian currently sports a forward P/E of 15.

Chasing the goose

Next up, we have **Canada Goose Holdings** (TSX:GOOS)(NYSE:GOOS), which has grown its EPS and revenue at a rate of 259% and 117%, respectively, over the past three years. Year to date, shares of the winter jacket specialist are down 11%.

Worries over economic uncertainty and retail trouble have weighed on the stock, but Canada Goose continues to grow at an impressive rate. In the most recent quarter, total revenue spiked 59% to $71 million with robust growth seen in every geographic region.

“Fiscal 2020 is off to a great start with a strong performance in our first quarter, which delivered growth in every geography,” said CEO Dani Reiss. “As we continue to invest in capacity, we are well positioned to capitalize on the strong demand we see across our business.”

Canada Goose currently has a forward P/E of 25.

Seeing stars

Rounding out our list is **Constellation Software** (TSX:CSU), which has delivered EPS and revenue growth of 53% and 97%, respectively, over the past three years. Shares of the specialty lender are up a sold 54% so far in 2019.

Constellation continues to leverage its scale (125,000 customers in over 100 countries), market-leading positions, and financial muscle (annual consolidate revenues exceed US$3 billion) to deliver solid growth for shareholders. In the most recent quarter, net income increased 41%, adjusted EBITDA margin expanded 200 basis points to 25%, and revenue improved 12% to $846 million.

Moreover, operating cash flow clocked in at a solid $36 million.

Constellation shares currently sport a forward P/E of 37 and a beta of 0.9.

The bottom line

There you have it, Fools: three attractive growth stocks for 2020.

They aren’t formal recommendations. Instead, view them as ideas worth further research. Even stocks with breakneck growth can crash hard if you don’t pay attention to valuation, so plenty of due diligence is still required.

Fool on.

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2. TSX:CSU (Constellation Software Inc.)
3. TSX:GOOS (Canada Goose)

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Date
2025/07/06
Date Created
2019/10/16
Author
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