



Supercharge Your TFSA With These 3 Growth Stocks

Description

The growth of online shopping has dramatically shaken up the retail sector and sparked the rise of some of the most electric stocks in North America. We are nearly a month away from Cyber Monday, which is the biggest online shopping day of the year. In 2018, the day recorded \$7.9 billion in online sales.

Today, I want to look at three companies that operate in the e-commerce space. A recent report from Statista, a Germany-based online market research portal, projected that online retail would grow from \$43 billion in Canada in 2018 to \$55.4 billion by 2023. All three have the potential to reward investors in the coming years, which is why I'm targeting them in my TFSA.

Shopify

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) has been the most impressive technology stock story on the TSX in the back half of this decade. Shares have surged another 123% in 2019 as of close on October 24. The scary thing is, the stock is trading more than \$100 off its all-time high of \$543.76 at the time of this writing.

Back in the spring, I'd discussed why Shopify could grow into the Canadian **Amazon**, though there are key differences between the [two e-commerce giants](#). Shopify is set to release its third-quarter 2019 results on October 29. Investors will be looking for more progress on the international front, and for the company to continue to make strides toward profitability.

Shares of Shopify have dropped 2.5% over the past three months. It has taken a breather in the late summer and early fall, but I like this electric tech stock to take flight again ahead of its next earnings release.

Namaste

Namaste (TSX:N) is an e-commerce company that is operating in the cannabis space. This is tricky

right now, as the cannabis sector has been pummeled due to disappointing results from top producers and a less-than-stellar rollout over the past year in Canada. Namaste stock has dropped 50% in 2019 so far.

In early September, I'd suggested that Namaste was cheap as we [awaited the launch of "Cannabis 2.0"](#). The brick-and-mortar retail rollout in Canada has proceeded at a snail's pace, so the kind of online platforms that Namaste offers should be appealing in this environment.

Last month, Namaste announced that CannMart, its "everything cannabis store," had received a purchase order for pre-rolled cannabis products from the BC Liquor Distribution Branch (LDB). This month Namaste entered a secured convertible loan agreement with Choklat to advance \$300,000 to the latter. The investment follows the recent legalization of edibles.

Shares of Namaste are trading close to its 52-week low, and the stock had an RSI of 35 at the time of this writing. This puts it just outside technically oversold territory.

Lightspeed POS

Lightspeed POS ([TSX:LSPD](#)) is a company that provides an omni-channel commerce-enabling SaaS platform. The platform is sold through a direct sales force across the globe. Lightspeed started hot in the summer, but shares have dropped 6.6% over the past three months as of close on October 24.

The company is set to release its second-quarter fiscal 2020 results on November 7. In the first quarter, Lightspeed saw revenue rise 38% year over year to \$24.1 million and software and payments revenue posted 40% growth from the prior year. The company bumped up its full-year guidance for revenue, cash flows, and adjusted EBITDA.

Recent weakness in the stock gives investors an opportunity to jump in and buy the dip. Lightspeed is one of the more exciting IPOs on the TSX this year, and I like it after the stock has retreated from its 52-week highs from the summer. Investors who want e-commerce exposure should look to pull the trigger this fall.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:AMZN (Amazon.com Inc.)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:LSPD (Lightspeed Commerce)
4. TSX:SHOP (Shopify Inc.)
5. TSXV:LFST (Namaste Technologies)

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Author

aocallaghan

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