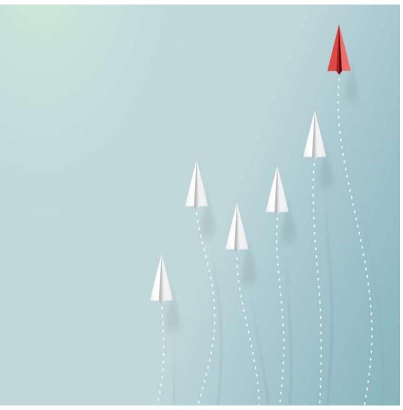

3 Growth Stocks That Can Turbocharge Your TFSA

Description

This is a great time to be a Canadian investor. Not only have we passed through one of the best decades in the modern era for the market, but we also saw the introduction of the Tax-Free Savings Account (TFSA) in 2009. The TFSA has emerged as a popular investment vehicle, but many investors are still not using it to its full potential.

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Instead of holding cash in a TFSA, investors should look to make the most of this account and seek out stocks with high-growth potential. Today, I want to look at three equities that have the potential to generate massive tax-free growth in the long term.

Park Lawn

All the way back in early 2018, I'd discussed why investors should target stocks that are positioned to grow due to Canada's aging population. **Park Lawn** (TSX:PLC) provides goods and services associated with the disposition and memorialization of remains in Canada and the United States. Shares of Park Lawn have climbed 30% in 2019 as of close on November 20.

The company released its third-quarter 2019 results on November 12. Revenue surged 54% year over year to $66.5 million, and adjusted net earnings increased 43.5% to $6.58 million. Adjusted EBITDA posted 62.5% growth and hit $15.1 million. Park Lawn achieved these stellar results on the back of strong organic growth.

Park Lawn stands above others in this sector because of its excellent balance sheet. This has allowed the company to be aggressive in pursuing acquisitions in Canada and the United States, which positions it well for further growth into the 2020s. The stock is trading at a premium right now, as it is trading close to its 52-week high of $29.95. It also boasts a monthly dividend of $0.038 per share, representing a modest 1.5% yield.

goeasy

Canadians carry some of the highest debt on average compared to other citizens in the developed world. This has driven investors to seek alternatives, especially younger demographics. **goeasy** (TSX:GSY) is an alternative financial services company that offers high-interest loans to subprime borrowers through its easyfinancial division and sells furniture and other durable goods on a rent-to-own basis through easyhome.

The company's loan portfolio climbed over the $1 billion mark in the third quarter of 2019. It was up 38% from the prior year at the quarter's end. Revenue rose 20% to $130 million and earnings per share increased 32% year over year to $1.28. Total application volume posted 25% growth at easyfinancial, and 65% of net loan advances were issued to new customers.

goeasy stock has achieved average annual returns of 22% over the past 10 years. The company projects that its gross loans receivable portfolio will exceed $1.5 billion by fiscal 2021. In addition to its high-growth potential, the stock also offers a quarterly dividend of $0.31 per share. This represents a 1.9% yield.

Great Canadian Gaming

I was high on gaming stocks after the stock market rout in late 2018. **Great Canadian Gaming** (TSX:GC) has been hit with turbulence in 2019. Shares have dropped 13% this year as of close on November 20.

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Some of its casinos out west have attracted controversy due to an expansive money-laundering investigation. The controversy has pushed out former vice-president of player and gaming development, Walter Soo, and vice-president of corporate security and compliance, Patrick Ennis.

Still, there is reason for optimism, as the company looks to win big over the next two decades from its GTA bundle win. In the third quarter of 2019, Great Canadian Gaming reported a 3% year-over-year increase in revenues, while net earnings took a hit due to the ongoing investigation. The company still boasts a solid balance sheet and its stock possessed a price-to-earnings ratio of 12.4 at the time of this writing. I like Great Canadian Gaming as a buy-the-dip pick in late November.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:GSY (goeasy Ltd.)
2. TSX:PLC (Park Lawn Corporation)

PARTNER-FEEDS

1. Business Insider
2. Msn
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