



3 Canadian Growth Stocks That May Double Your Wealth in 2020

Description

Growth stocks continue to remain attractive to investors around the world. Investing in high-growth companies provides an opportunity for generating multi-fold returns. Though these stocks trade at a premium valuation and have a high beta, it is advisable to buy them at major corrections and hold them for the long term.

Here we look at three Canadian growth stocks that have huge addressable markets and strong growth metrics.

Boralex

For investors looking to invest in the renewable energy space, **Boralex** ([TSX:BLX](#)) needs to be on their radars. The company is a major player in Canada's renewable energy segment.

Valued at \$2.6 billion in terms of market cap, and with an enterprise value of \$5.75 billion, Boralex is well poised to increase shareholder wealth in 2020 and beyond. In the September quarter, Boralex increased sales by 16% year over year to \$92 million.

The company is [looking to increase its installed capacity](#) by 82 megawatts this year, which will boost its top-line growth. Analysts expect sales growth of 22.1% in 2019 for Boralex, while earnings are expected to grow by 115.6% in 2019.

The stock is trading at a forward price-to-earnings multiple of 79, which is expensive, but it is supported by strong earnings growth. The stock has gained 44.5% in the last year and has returned 98% in the last five years.

Score and Gaming

Score and Gaming (TSXV:SCR) is a Canada-based mobile gaming company that is now banking on the sports betting vertical to drive growth. The company's mobile application is theScore, which is a

multi-sports, news, and data platform.

SCR is optimistic about the new legislation in the United States that allows sports betting. The betting app is live and taking bets in New Jersey. SCR will look to gain traction in other regions south of the border. In order to fund growth in the betting vertical, Score and Gaming raised \$40 million [in the last quarter from](#) Fengate Asset Management.

The stock has a market cap of \$251.51 million and is valued at 5.3 times forward sales. Analysts expect the company to increase sales by 50.8% in 2019 and 43.9% in 2020. SCR stock has gained a staggering 148% in the last 12 months, easily crushing market returns.

Lightspeed POS

One of Canada's most promising companies in the tech space is **Lightspeed POS** ([TSX:LSPD](#)). The stock went public in March 2019 at a price of \$16 and has more than doubled to currently trade at \$45.6.

It provides software solutions to retailers and restaurants in Europe and North America. These solutions include point-of-sale, e-commerce, and inventory management. Its cloud-based solutions are available in 100 countries and 57,000 locations.

LSPD is valued at \$3.89 billion or 32.5 times forward sales. This premium valuation is supported by robust revenue growth. Analysts expect LSPD sales to increase from \$77.45 million in fiscal 2019 to \$177.35 million in fiscal 2021.

The company's rapid growth and expanding product offerings will help LSPD increase its customer base, which will give a boost to top-line growth.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. TSX:BLX (Boralex Inc.)
2. TSX:LSPD (Lightspeed Commerce)

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