TFSA Investors: 2 Moneymaking Growth Stocks for Rapid Gains in 2020

Description

As TFSA investors, we all look for investments that involve a substantial capital gain. When it comes to stock investment, you can either go with growth stocks or dividend stocks. I would suggest you invest in growth stocks if you want to see enormous growth in your capital in a shorter period.

Companies that offer growth stocks have very well-thought-out reinvestment plans. Therefore, the stock riding on these plans usually have good prospects of experiencing an upward trend. If you are searching for growth stocks to put in your TFSA for 2020, you should consider these two growth stocks, because they might give you enormous returns by the end of the year.

Canada Goose

Canada Goose (TSX:GOOS)(NYSE:GOOS) is a premium retail apparel brand whose winter clothing is popular across North America. Its stock witnessed staggering growth since its IPO in 2017. It started from around $17 in March 2017 and hit a peak of over $70 in November 2018.

From then on, the Canada Goose stock has been struggling to maintain its price. As of now, it is being traded at 20 times forward P/E ratio. The P/E ratio of the company has considerably dropped in the last couple of months. However, the growth forecast doesn't match up with this cheap valuation.

It has been estimated that the company's earnings could rise 15.1% this year in comparison to the last year. The company recorded more growth in the U.S. than in Canada in 2019. The growing U.S. and Asian market may become the reason behind the gradual rise of earnings of Canada Goose.

The lower valuation and encouraging growth in the overseas market with the wise reinvesting road map make Canada Goose stock a good pick for your TFSA. The stock has been adjusted for correction, which also points out that the future growth of the stock may have a more stable outlook.

Brookfield Business Partners

Brookfield Business Partners (TSX:BBU.UN)(NYSE:BBU) is a relatively new private equity company stemmed out of **Brookfield Asset Management** in June 2016. Like the rest of Brookfield subsidiaries, it also invests in various industries all across the globe. Since its IPO on TSX, Brookfield Business Partners has seen a steady stock growth. Its stock has experienced nearly 80% growth in the last three years.

The investing footprint of Brookfield Business Partners has spread across multiple continents with many successful projects under its belt. The estimates of future growth are also promising. For instance, experts think that the BBU's earnings per share could soar up to 800% this year.

If that happens, you could have your investment significantly grown by the end of the year. The forward P/E ratio of the BBU stock is in the moderate range of 17 multiple, which indicates that the stock is not overvalued and less likely to see a sudden dip in the following months.

Conclusion

Having a good growth stock in your TFSA can help you multiply your tax-free investment at a reasonable rate. Right now, Canada Goose and Brookfield Business Partners are two of the growth stocks that can prove to be valuable additions to your TFSA portfolio.

CATEGORY

1. Dividend Stocks
2. Investing

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1. NYSE:BBU (Brookfield Business Partners L.P.)
2. NYSE:GOOS (Canada Goose)
3. TSX:BBU.UN (Brookfield Business Partners)
4. TSX:GOOS (Canada Goose)

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