



## Triple the Value of Your TFSA With These Stocks

### Description

TFSAs can protect an unlimited amount of capital gains from taxes. That's an [opportunity](#) you shouldn't pass up.

While many stocks promise big upside, few companies are actually capable of delivering. Fortunately, there's a handful of stocks with proven records of doubling, tripling, and even quadrupling shareholder capital. On many metrics, their futures look just as bright.

Tripling your TFSA portfolio is hard, but the following two stocks are your best bets.

### Platforming global commerce

Want to compound your capital as quickly as possible? Find a platform business.

As the name suggests, platform businesses merely provide the base level infrastructure, enabling other companies to build *on top*.

Think of the Windows operating system. **Microsoft Corporation** didn't build all the applications that are now available on a Windows computer. In fact, it is itself responsible for less than 1% of the applications available to users.

Microsoft was able to build the base level operating system, and invited others to build the rest. This causes a virtuous cycle. Developers build on the platform to sell their applications to users. More applications attracts more users, which in turn, attracts more developers.

At some point, platforms gain critical scale, at which point nearly every user and developer congregates to a single service. That's exactly what happened with Windows.

**Shopify Inc** ([TSX:SHOP](#))([NYSE:SHOP](#)) is using the platform strategy for another market: e-commerce. The company offers an easy-to-use platform that allows entrepreneurs an effective way to create a digital storefront in minutes. I've used the Shopify system myself and can attest to how

intuitive it is.

Why is Shopify a platform? Because it opened up future development to outside companies. As we speak, hundreds of businesses are busy launching new capabilities on the Shopify system. These additions allow users to do things that no other platform enables. That attracts more users, which attracts more developers. Sound familiar?

Shopify stock has increased by 1,860% in under five years, yet it still controls a minuscule fraction of the market. Shares have plenty of room to triple in the months and years ahead.

## Building a juggernaut

**Constellation Software Inc** ([TSX:CSU](#)) is also building a massive business, but it's not upfront and centre. Instead, Constellation focuses on behind-the-scenes software that the vast majority of use will never see, nevertheless actually use.

Founded by a venture capitalist in 1995, the company's strict focus was to acquire niche software products that meet specific criteria: they enable mission critical processes for customers, and they face limited competition. That's the secret recipe, and it's worked wonders for shareholders. Since 2006, shares have increased by nearly 8,000%.

Take a closer look at Constellation's recipe for success and you'll realize how powerful it is. Software that enables mission critical processes can be costly and dangerous to replace. Niche offerings with limited competition mean that, oftentimes, customers can't switch even if they wanted to. That's resulted in sky-high margins and industry leading contract renewal rates.

From there, Constellation is running a simple rinse-and-repeat strategy. The company has surpassed a \$30 billion valuation, but its addressable market may ultimately exceed \$1 trillion. This is a company that few people have heard of, but judging by the incredible stock price performance, investors should care little about increased exposure.

### CATEGORY

1. Investing
2. Tech Stocks

### TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:CSU (Constellation Software Inc.)
3. TSX:SHOP (Shopify Inc.)

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**Date**

2025/09/17

**Date Created**

2020/02/22

**Author**

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