



My Top 2 Growth Stocks in May

Description

The **S&P/TSX Composite Index** was down over 40 points in early afternoon trading on May 4. In April, many top Canadian stocks enjoyed a sharp rebound from a brutal March. Today, I want to look at two of my top growth stocks as we start a new month.

Top growth stock: Kinaxis

Kinaxis ([TSX:KXS](#)) stock has climbed 35% month-over-month at the time of this writing. Shares have increased 96% year over year. It is still one of my top growth stocks right now. Last summer, I discussed why Kinaxis was one of the [top tech stocks](#) to watch going forward. Several factors that have contributed to its incredible growth in recent months.

The COVID-19 pandemic has ushered in lockdowns across the world and disrupted the global economy, creating challenges for supply chains. Fortunately, top suppliers have avoided catastrophe in essential services. However, this crisis has shown the need for optimization. That is where Kinaxis comes in.

This Ottawa-based tech company is a global leader in supply chain and operations planning software. In recent years, it has won partnerships with automakers like **Toyota** and Volvo, and huge conglomerates like Unilever. In 2019, Kinaxis saw revenue increase 27% year over year to \$191 million. Profit and adjusted EBITDA grew 62% and 38%, respectively.

Kinaxis is set to release its first-quarter 2020 results on May 7. This top growth stock boasts an immaculate balance sheet and impressive growth potential. It's pricey right now, so investors can bet on its promising momentum or look for an entry point in the spring.

Stars Group

Stars Group (TSX:TSGI)(NYSE:TSG) stock has increased 43% over the past month. Shares are up 67% over the past year. The company engages in online gaming and betting businesses primarily in

Europe, Australia, and the Americas. Its strong online position in gaming is one of the reasons I still have Stars Group as a top growth stock today. Back in late 2018, I explained why I was [bullish on Stars Group](#) going forward.

One of the reasons I'd recommended Stars Group was its promising footprint in sports betting in North America. In May 2018, the United States Supreme Court struck down a federal ban on sports betting. Over the past two years, several states have moved to legalize sports gambling.

Stars Group has been a big beneficiary. However, the COVID-19 pandemic has seen the suspension of sports leagues like the NBA, NHL, and postponement of the MLB. The National Football League (NFL), which is the most gambled on of the top leagues, still appears to be on track for a September kick-off.

The company provided a general business update in late April. Stars Group reported record revenues in the first quarter and has continued to see strong growth in poker and gaming revenues. Investors should feel confident as it combats COVID-19 headwinds in 2020.

Shares last had a favourable price-to-book value of 1.9 and the company is on track to post strong earnings increases, which is why it's one of my top growths in May.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. TSX:KXS (Kinaxis Inc.)

PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

Category

1. Investing
2. Tech Stocks

Date

2025/08/26

Date Created

2020/05/04

Author

aocallaghan

default watermark