



What Would \$6,000 Invested in These 2 Companies At the Start of the Year Be Worth Now?

Description

Each year, Canadians are permitted additional contribution room into their Tax-Free Savings Accounts (TFSA). For 2020, the additional contribution room is \$6,000. It would be a wise decision to split the funds between different positions, as a means of hedging against losses in one company.

Many Canadians choose to invest in growth stocks in their Tax-Free Savings Accounts (TFSA), since all the gains would be tax-free. In this article, I will assess how much your positions would be worth now had you invested in two of Canada's top growth stocks at the start of the year.

Canada's favourite tech company

There's no doubt that **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) is the top tech companies in Canada. Since its inception, the company has provided a platform for online merchants to sell products online. However, since then, it has grown to offer many more services and products.

Some of these include Shopify Capital, which provides loans to small businesses, Shopify Shipping, and point of sale hardware.

Shopify is always innovating. Whether by [enabling cryptocurrency payments](#) on its online stores or by partnering with the likes of **Amazon**, **Facebook**, and **Walmart**, the company is always attempting to place itself in a position to succeed in the future.

Led by a very intelligent management team, Shopify has been a market leader since the outset of the COVID-19 pandemic. Since reaching its market bottom in March, Shopify stock has increased over 167%! As of this writing, its year to date gain has been a very impressive 131%, which means your \$3,000 investment at the start of the year could be worth \$6930!

A platform with room to grow

On June 5, I [published an article](#) covering **Docebo** ([TSX:DCBO](#)), a cloud-based enterprise e-learning platform. The company uses artificial intelligence to track an employee's performance in training exercises. From this, management is better able to determine weaknesses in its workforce and adjust material accordingly. Docebo also offers a plethora of management and analysis tools to help streamline the training process.

The company has a tough road ahead, as it faces very tough competition in a fast-moving industry. However, Docebo has done well in attracting companies such as: **Cineplex**, **Thomson Reuters**, and Walmart.

If the company stays on track and expands as it intends to, via new product offerings and mergers and acquisitions, then it is very possible that it could become an industry leader.

Docebo is a younger company, its IPO took place in October 2019. Since then, its stock has grown significantly, with its market cap reaching over \$1 billion earlier in June. Since the market bottom in March, Docebo has even outperformed Shopify.

Its stock increased 227% from trough to peak, before seeing a slight decline in its value over the past week. Year to date, Docebo stock has increased 104% meaning your \$3,000 investment could be worth \$6120.

Foolish takeaway

Investing in growth companies in your TFSA is not only a common strategy, it can be very rewarding. Had you invested in Shopify and Docebo at the start of the year, your \$6,000 contribution at the start of the year would be worth \$13,050!

If you have not picked these companies up yet, make sure to give them a look.

CATEGORY

1. Investing
2. Tech Stocks

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2. Docebo
3. growth
4. investing
5. long term growth
6. market
7. Shopify
8. Shopify Stock
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TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:DCBO (Docebo Inc.)
3. TSX:SHOP (Shopify Inc.)

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