



TFSA Investors: 2 TSX Stocks That Can Turn \$25,000 Into \$500,000

Description

When it comes to investing, growth stocks continue to remain attractive, as they have the potential to generate massive investor wealth over time. For example, if you'd invested \$1,000 in **Shopify** stock during its IPO, it would have ballooned to a massive \$60,000 right now.

If you think you have missed the bus on Shopify, here are two TSX stocks that are well poised to move higher in the upcoming decade. You can allocate these stocks to your TFSA (Tax-Free Savings Account) and pay zero taxes to the CRA (Canada Revenue Agency) on withdrawal.

The TFSA is one of the most flexible registered accounts for Canadians. The TFSA contribution limit for 2020 is \$6,000, while the cumulative contribution limit is \$69,500.

An e-learning stock for your TFSA

The first stock on the list is **Docebo** ([TSX:DCBO](#)) that provides enterprise-facing e-learning solutions. Docebo stock has already doubled in 2020 and is trading at \$42.29, which is 164% above its IPO price of \$16.

Docebo aims to drive home the importance of its e-learning solutions that are now viewed as an integral part of a company's strategy for success. The company transitioned towards a SaaS (software-as-a-service) based model, which will help it generate predictable sales across economic cycles. Over 90% of its revenue is recurring and its recurring sales were up 69% in Q1.

Docebo claims to be one of the first companies to introduce artificial intelligence (AI) into the e-learning market by integrating AI technologies into its products. It ended the first quarter of 2020 with 1,930 customers and US\$52 million in annual recurring revenue.

Docebo's customer base is tilted towards North America, which accounts for 71% of its clientele. The rest is from Europe, and this provides the company with enough scope to expand internationally.

Lightspeed stock is rising from the ashes

Shares of **Lightspeed POS** ([TSX:LSPD](#)) have surged higher by 250% since it touched a record low of \$10.5 in March 2020. This TSX-based tech sensation should be on the radar of most growth investors due to its rapidly expanding addressable market and aggressive customer acquisition.

LSPD's point-of-sale system [is available to businesses](#) across 100 countries. This cloud-based platform provides a range of services, including accounting and inventory management to help digitize processes. The company launched Lightspeed Payments in 2019, which is expected to be a key driver of top-line growth.

Lightspeed also generates a majority of sales via subscriptions and its commerce-enabling services have experienced a significant surge from small and medium businesses. LSPD stock has a market cap of \$3.43 billion and is trading at a forward price-to-sales multiple of 17.

LSPD's lofty valuation is supported by its sales growth that is forecast to grow 23.7% to \$149.18 million in fiscal 2021. Analysts then expect LSPD's sales growth to accelerate by 51.2% to \$225.5 million in 2022.

Lightspeed has managed to hold its own amid the pandemic, despite its huge exposure to SME's [that are sitting on ground zero of this crisis](#). The company's strong customer adoption and stellar growth forecasts make it a top buy right now.

If you have a large risk appetite, you can look to allocate a significant amount of capital to these tech stocks. A cumulative \$25,000 investment between the two stocks in March would have already returned close to \$95,000 in fewer than four months.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. TSX:DCBO (Docebo Inc.)
2. TSX:LSPD (Lightspeed Commerce)

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Date

2025/09/28

Date Created

2020/07/07

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