



10 TSX Stocks That Could 10x in 10 Years

Description

We asked our Foolish writers for their top growth ideas right now – specifically, stocks they think could be worth 10 times their current value in 10 years. Here are their choices:

Mat Litalien: Lightspeed POS

The technology sector is arguably the best place to find high-flying growth stocks. The demand for technology solutions is growing at an unprecedented pace and in most cases, the industries are in their infancy.

One of my top picks in the sector is **Lightspeed POS** ([TSX:LSPD](#)). It was one of the hottest IPOs in 2019 and almost doubled in price last year. Unfortunately, the pandemic stunted momentum in a big way as it hit Lightspeed at the heart of its target market -small-to-midsized businesses (SMB) in the retail and restaurant industries.

On the bright side, the economy is beginning to re-open and Lightspeed is well-positioned to rebound in a big way. Recently, it partnered with Ivanhoe Cambridge, one of the largest asset companies in the country. The deal allows Ivanhoe Cambridge tenants one-year free access to Lightspeed's integrated, omnichannel sales solution.

The deal should not be overlooked and has the potential to accelerate Lightspeed's growth plans. The company is expected to grow revenue at a 50% clip over the next few years. However, these estimates are likely low as the company has beat estimates in every quarter since going public.

Lightspeed POS is looking like a long-term winner which will reward investors with high returns over the next decade.

Fool contributor Mat Litalien is long Lightspeed POS.

Jed Lloren: Docebo

There are so few companies that come around at exactly the right time. Often, when everything lines up, those companies explode into market leaders. Think of **Netflix** in the United States and **Shopify** in Canada, both companies seemed to go public at the right time in the company's maturity and right before their respective industries saw major growth.

I believe **Docebo** ([TSX:DCBO](#)) is in a similar position at the moment. The world has slowly been shifting towards artificial intelligence and a more online method of interaction, over the past few years, and the COVID-19 pandemic may have accelerated that shift. Docebo takes advantage of both.

I have praised Docebo [previously](#), because of its potential as a top Canadian stock. Since its IPO, Docebo stock has increased by 204%, and year-to-date it has seen an increase of 142%. I strongly believe this company is still at the beginning of its growth story.

Fool contributor Jed Lloren owns shares of Shopify.

Amy Legate-Wolfe: Real Matters Inc.

At first glance, **Real Matters** ([TSX:REAL](#)) looks to be the last tech stock you'd want to buy right now. The company provides technology and network management solutions to mortgage lenders. Lenders that are likely going through a hard time with COVID-19, a housing crisis, and an economic downturn. But before the downturn, while Real Matters received revenue from purchase transactions, today the company merely switched gears to refinancing transactions. Analysts forecast a 44% revenue growth and a 117% earnings growth for 2020. This means no matter what storm, Real Matters can weather it.

The stock is up 140% to date from its initial public offering, and currently at all-time highs. While you won't get a bargain from this stock, it does have a super five-year price to earnings growth ratio of 0.63. So you're likely to see it continue to rise by similar numbers over the next 10 years!

Fool contributor Amy Legate-Wolfe does not own shares of any of the stocks mentioned.

Nicholas Dobroruka: Enghouse Systems

Enghouse Systems ([TSX:ENGH](#)) is up 125% over the past year, and there's no reason why this company can't be a 10-bagger within the next 10 years.

If you haven't heard of this \$4 billion company yet, that's alright. They're in the business of developing enterprise-level software, not necessarily an industry that individual consumers knowingly interact with on a regular basis.

As a significant percentage of the workforce across the globe has been working from home over the past few months, Enghouse Systems has already witnessed a rise in demand for its services. It also helps that the company provides software solutions for remote work, visual computing, and telecommunications networks.

Enghouse Systems also recently acquired the software company, Vidyo, which specializes in providing software-based visual communication products to [telemedicine clients](#).

The shift to working more from home and the projected growth of the telemedicine industry are the two main reasons why I believe this company is set-up for [many more years of monster growth](#).

Fool contributor Nicholas Dobroruka has no position in any of the stocks mentioned.

Vishesh Raisinghani: Goodfood Market Corp

In my experience, multi-bagger stocks are usually tiny, obscure companies that are poised to gain a foothold in massive industries. **Goodfood Market** ([TSX:FOOD](#)) seems to fit the criteria precisely. The Montreal-based startup recently listed on the stock exchange has already tripled since March this year. The company is now worth \$384 million. Meanwhile, the meal kit and online grocery industry it operates in is a trillion-dollar global opportunity.

Rivals such as Ocado in the United Kingdom and Instacart in the United States are worth US\$15 billion and US\$14 billion, respectively. A billion-dollar valuation for Goodfood doesn't seem like a long-shot either.

Fool contributor Vishesh Raisinghani has no position in any of the stocks mentioned.

Stephanie Bedard-Chateauneuf: Shopify

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) stock price is now more than 30x what it was five years ago. I believe it can easily be 10x higher in the next 10 years, or even more.

Shopify reported strong first-quarter results. Total revenue was up 47% to \$470 million. This good performance can be explained by the increased use of online shopping, which the pandemic accelerated.

The e-commerce platform is well-positioned to compete with Amazon. It has made partnerships with Facebook and **Walmart** to increase its influence. The deal with Walmart allows Shopify to expand its e-commerce reach in the United States. The tech company expects 1,200 merchants to be selling products through Walmart's marketplace by the end of the year. Shopify has partnered with Facebook to launch Facebook Shops, a free tool to help merchants create personalized online storefronts for Facebook and Instagram.

Fool contributor Stephanie Bedard-Chateauneuf owns shares of Walmart Inc.

Vineet Kulkarni: Maxar Technologies

Shares of the space technology company **Maxar Technologies** ([TSX:MAXR](#))([NYSE:MAXR](#)) have been on a solid run recently. They have almost doubled in the last three months.

I think Maxar has huge growth potential because it primarily operates in the [geospatial imagery](#) and analysis space. It is one of the fastest-growing subsectors of the potential trillion-dollar space technology domain. Geospatial imagery is mainly used for security reasons by governments and by commercial customers.

Maxar helps them explore space, allow broadband communications, and navigate the changing planet. A \$1.2 billion company is already working with NASA on several projects. Higher spending from NASA in the next few years could significantly benefit companies like Maxar.

Maxar's improving debt profile and a discounted valuation further make it an attractive bet for long-term investors.

Fool contributor Vineet Kulkarni does not have any positions in the stocks mentioned.

Karen Thomas: Ballard Power Systems

Ballard Power Systems ([TSX:BLDP](#))([NASDAQ:BLDP](#)) is a stock that I have highlighted before. As a leader in fuel cell technology, Ballard's day has finally come.

It is a stock that has already been a steady outperformer this year. It is a stock that has a clear runway of growth ahead of it and the real potential to increase tenfold in ten years. You see, Ballard Power stock is just getting started. It is just now finally beginning to reflect the real and enormous opportunity ahead. Fuel cells are emerging as a leading fuel source in the race toward clean energy, and Ballard Power is reaping the rewards.

Fuel cell orders and deployments are rising significantly in key geographies. There are currently 18,000 fuel cell passenger cars in operation, supported by approximately 400 hydrogen fuelling stations. And Ballard Power is capturing a significant share of this market that is expected to exceed \$50 billion by 2026.

Fool contributor Karen Thomas owns shares of Ballard Power Systems Inc.

Ambrose O'Callaghan: goeasy Ltd.

Over the last five years, **goeasy** ([TSX:GSY](#)) has demonstrated its growth potential. The stock has climbed over 150% in a five-year span as of close on July 13. Shares have taken a breather due to the 2020 correction. This provides an opportunity to add goeasy before another run.

In its Q1 2020 results, the company reported revenue growth of 20% to \$167 million as its loan portfolio increased by 33% to \$1.17 billion. goeasy offers high-interest loans to sub-prime borrowers

through easyfinancial and furniture and other durable goods on a rent-to-own basis through easyhome. The worsening financial crisis will make the alternative financial services that goeasy provides invaluable, especially to younger consumers. It has achieved 75 straight quarters of positive net income. goeasy is a financial stock for the future.

Best of all, shares of goeasy last had a price-to-earnings ratio of 11 and a price-to-book value of 2.0. This puts the promising financial services stock in attractive value territory. Now is the time to pounce on goeasy.

Fool contributor Ambrose O'Callaghan has no position in any stocks mentioned.

Sneha Nahata: Cargojet

When it comes to multiplying money, **Cargojet** ([TSX:CJT](#)) is a sure bet. It has consistently performed well, outgrowing the benchmark index by a wide margin. Cargojet stock is up 55% this year and remains the beacon of hope in the aviation sector. Besides, it has generated a return of about 517% in five years.

It benefits from the sustained demand for international and domestic air cargo. Besides, a steady increase in the charter and ACMI activities accelerates its growth further. It continues to retain all of its major customers, thanks to the on-time services and active management of the fleet capacity. Meanwhile, it remains relatively immune to the volatility in the oil prices, as it recovers costs through fuel surcharges.

Growing fleet capacity, new customer acquisitions, cost optimization, and rising demand from the e-commerce segment bode well for growth and should [drive its stock higher](#).

Fool contributor Sneha Nahata has no position in any of the stocks mentioned.

CATEGORY

1. Top TSX Stocks

TICKERS GLOBAL

1. NASDAQ:BLDP (Ballard Power Systems Inc.)
2. NYSE:MAXR (Maxar Technologies)
3. NYSE:SHOP (Shopify Inc.)
4. NYSE:WMT (Wal-Mart Stores Inc.)
5. TSX:BLDP (Ballard Power Systems Inc.)
6. TSX:CJT (Cargojet Inc.)
7. TSX:DCBO (Docebo Inc.)
8. TSX:ENGH (Enghouse Systems Ltd.)
9. TSX:FOOD (Goodfood Market)
10. TSX:GSY (goeasy Ltd.)
11. TSX:LSPD (Lightspeed Commerce)
12. TSX:REAL (Real Matters Inc.)
13. TSX:SHOP (Shopify Inc.)

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Category

1. Top TSX Stocks

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