# Sidestep the CRA: 3 Top Growth Stocks to Buy in Your TFSA Now

### Description

Hello, Fools. I'm back to draw attention to three attractive growth stocks. Why? Because companies with rapidly growing revenue and earnings

- have far more appreciation potential than the average stock; and
- can help you outperform during bad times as investors flock to truly special growth stories.



So, if you're a TFSA investor looking for outsized tax-free gains, this list is a good place to start.

## Going global

Leading off our list is professional services specialist **WSP Global** (TSX:WSP), which has grown its EPS and revenue at a rate of 26% and 61%, respectively, over the past five years.

After plunging in March, WSP shares have recovered nicely, suggesting that the worst is behind it. Specifically, the company's diversified business model, geographic reach, and hefty cash flows should continue to drive long-term growth.

In the most recent quarter, EPS clocked in at $0.45, as revenue improved 4.8% to $1.74 billion. More importantly, adjusted EBITDA — a key cash flow metric — was a still-solid $218.4 million.

"We have entered this crisis in a strong position and I am confident that, with our diversified business model, our engaged people and the disciplined management of our global business, we will come out of this pandemic on the other side an equally strong organization," said CEO Alexandre L'Heureux.

WSP shares trade at a forward P/E of 21.

## Dollar days

Next up, we have discount retailer **Dollarama** (TSX:DOL), which has grown its EPS and revenue at a rate of 105% and 54%, respectively, over the past five years.

Dollarama shares have risen impressively in recent months, but there might be enough time to hop aboard. The company's recession-proof business model, solid scale (over 1,250 stores across Canada), and well-recognized brand should continue to fuel growth even amid this downturn.

In the most recent quarter, earnings clocked in at $86.1 million as revenue inched up 2%. More importantly, same-store sales growth (excluding temporarily closed stores) remained positive at 0.7%.

"Our first-quarter results reflect the direct and indirect effects of COVID-19 while demonstrating that Dollarama adapted quickly to an unprecedented situation in order to serve Canadians from coast to coast," said President and CEO Neil Rossy.

Dollarama currently trades at a forward P/E in the low 20s.

## Park it here

Rounding out our list is petroleum products specialist **Parkland** (TSX:PKI), which has grown its EPS and revenue at a rate of 387% and 191%, respectively, over the past five years.



Parkland shares have also been steady in recent weeks, suggesting that it remains a solid way to play defence. In particular, the company's massive scale, integrated supply chain, and solid cash flows should keep long-term shareholders satisfied.

In the most recent quarter, EPS clocked in at $0.53, as revenue improved 3.6% to $4.4 billion.

"We delivered strong financial and operating performance through the first 10 weeks of the year with base operations and growth initiatives on-track with our plan," said CEO Bob Espey. "Covid-19 paused this momentum in mid-March, however, despite this and other economic headwinds, including a declining Canadian dollar and lower, more volatile commodity prices, our diverse business is proving resilient."

Parkland shares offer a solid dividend yield of 3.5%.

## The bottom line

There you have it, Fools: three attractive growth stocks to check out.

They aren't formal recommendations. Instead, view them as ideas worth further research. Even stocks with breakneck growth can crash hard if you don't pay attention to valuation, so plenty of due diligence is still required.

Fool on.

**CATEGORY**

1. Investing

**TICKERS GLOBAL**

1. TSX:DOL (Dollarama Inc.)
2. TSX:PKI (Parkland Fuel Corporation)
3. TSX:WSP (WSP Global)

**PARTNER-FEEDS**

1. Business Insider
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1. Investing

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