



3 High-Growth TSX Stocks to Double Your Investments

Description

This year, the equity market has been incredible, with few stocks tanking over 60%, while some have more than tripled. In this article, we will look at three stocks that have strong growth potential and could double your investment in the next two to three years.

Lightspeed POS

My first pick is **Lightspeed POS** ([TSX:LSPD](#)), which provides omnichannel software solutions for SMBs (small- and medium-sized businesses) across the world. Its solutions cover critical functionalities of SMBs, such as engaging with customers, accepting payments, and managing their supply chains. It has returned more than 270% from its March lows.

Amid the pandemic, many SMBs have taken their shops online, providing their customers with a seamless online experience. This digital shift has led to a surge in demand for Lightspeed's services, driving its sales. In its recently announced first-quarter earnings, the company's revenue grew by 51% to US\$36.2 million.

Meanwhile, the shift in consumer behaviour towards online shopping could act as a tailwind for Lightspeed in the long term. Also, a significant part of its revenue has been recurring. So, given the favourable industry outlook and the critical functionalities that it services for its clients, I believe Lightspeed's stock could double in the next two to three years.

Real Matters

My second pick is **Real Matters** ([TSX:REAL](#)), a software company that services mortgage lenders and insurance companies. Amid the slowdown in economic activities due to the pandemic, the federal banks in the United States and Canada had slashed the interest rates. The decline in interest rate led to a surge in refinancing activities, driving the demand for Real Matters's services.

In the recently announced third-quarter earnings, the company's revenue from the title segment in the

United States surged over 98%, while that of the appraisal segment rose by 21.5%. The company's adjusted EBITDA margin also improved by 11.5% to 47.6% on a year-over-year basis.

With the economic indicators still weak, the central banks will not be eager to raise the interest rates soon. Also, amid the surge in refinancing activities, mortgage lenders are facing scalability and performance issues with their existing vendors.

Given the growing addressable market and its competitive advantage, Real Matters could acquire new clients and also increase its market share over the next few quarters. So, I believe the stock has [the potential to double from its current levels in the next three years](#).

Kinaxis

My third pick is **Kinaxis** ([TSX:KXS](#)), which provides supply chain management solutions to its customers. The company's stock has increased by over 120% from its March lows.

As many SMBs have taken their shops online, it has put pressure on their supply chain. Kinaxis's products and services aid in improving and accelerating decision making, thus making the supply chains agile. So, the demand for Kinaxis's products and services has increased.

In its recently announced second-quarter earnings, its revenue grew by over 45% on a year-over-year basis, while its adjusted EBITDA rose by 94%. Further, the company's management has raised its revenue guidance for this fiscal, while keeping its adjusted EBITDA margin unchanged.

The company has a backlog revenue of US\$333 million, which it will recognize over the next few years after providing the necessary services. Meanwhile, last month, [the company completed the acquisition of Rubikloud](#), which offers artificial intelligence solutions for retailers and CPG companies. So, given its robust growth potential, I believe the company's stock could easily double over the next three years.

CATEGORY

1. Investing
2. Tech Stocks

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. TSX:KXS (Kinaxis Inc.)
2. TSX:LSPD (Lightspeed Commerce)
3. TSX:REAL (Real Matters Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn

4. Newscred
5. Sharewise
6. Yahoo CA

Category

1. Investing
2. Tech Stocks

Tags

1. Editor's Choice

Date

2025/08/26

Date Created

2020/08/13

Author

manjapla

default watermark

default watermark