



## Top 3 Canadian Growth Stocks

### Description

When I first started investing, I was undoubtedly a dividend-growth investor. As I started to become more comfortable with the market, I shifted to investing in growth stocks. While both styles should be included in your portfolio, I prefer focusing on the latter. Which three Canadian companies have my highest conviction for the next decade?

### A global e-commerce leader

Starting the article off hot, my number one Canadian growth stock is **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)). This is likely the company I have covered most often on Motley Fool Canada. In my opinion, there is so much to like about Shopify.

For starters, the company's management is top notch. Tobi Lütke is a passionate founder/CEO who is well received by company employees. From writing the first line of code that would later become the Shopify platform, Tobi has continued to remain very active in the company's day-to-day activities. He also claims a significant ownership in the company, which is something I look for in the companies I invest in.

Shopify is also known as a very innovative company. The company is known to partner with companies such as **Amazon**, **Facebook**, or **Walmart**, which allows Shopify merchants to expand their reach. Shopify also ensures that its merchants have all the tools they need to succeed, whether that be POS hardware, shipping services, or loans to small business owners. Finally, the company is noting important societal trends, which may result in large disruptions in the future; it has enabled cryptocurrency payments on its platform.

Although Shopify has grown a significant amount [since its IPO](#), I believe this is just the beginning of the story for this industry and the company.

### Custom POS systems

As I noted earlier, Shopify offers POS hardware to merchants. There are also other companies that provide POS solutions to small business owners. However, I think **Lightspeed** ([TSX:LSPD](#)) sets itself apart from its competitors through industry-specific POS solutions. Whereas other companies offer generic solutions to its customers, Lightspeed caters to the different needs of each industry it serves.

Similar to Shopify, Lightspeed's management is top notch. Founder/CEO Dax Dasilva is a CEO who deserves more recognition. In 2019, Dax was named the [Innovator of the Year](#) by the *Globe and Mail* as part of its annual CEO of the Year award feature. Dasilva originally founded the company after noticing incumbent POS solutions could be greatly optimized.

Under his guidance, the company has continued to grow, and grow quicker, year over year. The global shutdowns caused by the COVID-19 pandemic were a reason to worry about the company's future revenue, as small and medium business owners were among the hardest hit. However, I was very impressed with how the company handled the situation (e.g., offering free trials to some of its services), which ensured its customers would be able to endure the situation.

## A business with several tailwinds

I have previously written about the tailwinds that can spark immense growth in **Docebo** ([TSX:DCBO](#)) in the near future. The two biggest tailwinds are the COVID-19 pandemic and a general shift towards digitization in society.

Focusing on the latter first, you should be noticing that companies and services are quickly shifting towards a more online-focused way of life. For instance, many retail companies are trying to step up their online sales presence. In addition, many big companies around the world are trying to automate and optimize traditionally laborious tasks (e.g., accounting and taxes, due diligence, payroll) by providing platforms to replace current practices. Docebo is the leader in this sense when it comes to employee training.

The COVID-19 pandemic should have also sparked immediate growth in the company as many organizations around the world had to shut down physical workspaces. Because of the inability to train employees in person, the companies that were uninterested in turning to digital solutions would have had to change their tune if they desired to outlast the shutdowns.

## Foolish takeaway

Every investor will have certain companies that they are more confident or excited about. These three are at the top of my list, as I think they have outstanding leadership, disruptive services, and excellent growth tailwinds behind them.

### CATEGORY

1. Investing
2. Tech Stocks

### POST TAG

1. canada
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3. docebo stock
4. Editor's Choice
5. growth
6. growth stocks
7. investing
8. lightspeed
9. Lightspeed POS
10. lightspeed stock
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12. market
13. Shopify
14. Shopify Stock
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#### **TICKERS GLOBAL**

1. NYSE:SHOP (Shopify Inc.)
2. TSX:DCBO (Docebo Inc.)
3. TSX:LSPD (Lightspeed Commerce)
4. TSX:SHOP (Shopify Inc.)

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**Date**

2025/08/23

**Date Created**

2020/08/14

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