



2 Hot TSX Growth Stocks to Buy Now

Description

The last few months have been extremely eventful for almost every **TSX** stock. A massive global pandemic came completely out of left field, yet the impact has been felt by every single stock.

This one event has created a massive divergence of impacts on companies. Some businesses are seeing an increase in revenue from the pandemic, while others are seeing little change at all. Then there are the TSX stocks that have had their operations completely turned upside down.

Depending on the industry, some stocks have been impacted massively. These companies are at the highest risk of failing if they can't survive the pandemic. So, naturally, the stocks will be the most discounted.

Then there are the stocks that were experiencing huge growth before the pandemic. Some of these growth stocks have struggled, again, depending on their industry. This has created a significant opportunity for long-term investors.

When things go back to normal, the top growth stocks that have been able to weather the storm well should continue on their growth trajectory. And who knows? If they weathered the storm better than their competitors, these companies could emerge even stronger than they were pre-pandemic.

TSX retail stock

One of the best growth stocks on the TSX in the last few years has been **Aritzia** ([TSX:ATZ](#)). Unlike many other retail stocks that were struggling before the coronavirus pandemic, Aritzia was experiencing massive growth.

After years of impressive growth across Canada, the company was mostly focused on growing its store count across the United States before the pandemic put all growth plans on hold.

However, it had also been focusing on building its e-commerce platform. Aritzia had a target to achieve 25% of its total sales through its online channel. That focus and the e-commerce platform already

being high quality has been extremely important in helping [Aritzia](#) to weather the storm.

And it's clear that the company is doing everything it can to mitigate the impact of coronavirus.

Aritzia continues to gain popularity among its target market. This is what makes it such a compelling investment. There is still plenty of growth left in the stock. And with it trading more than 33% off its 52-week high, investors can gain exposure at an extremely attractive discount.

Top TSX growth stock

The other stock to consider is the specialty finance company **goeasy** ([TSX:GSY](#)). goeasy was one of the best growth stocks on the TSX before the coronavirus pandemic. From 2019 to 2020, the stock doubled in price, as it continued to increase its loan book and record massive earnings.

Then, as the pandemic hit and many temporarily lost their jobs, the stock was hammered. The market feared that goeasy could be exposed to a lot of poorly performing consumer loans.

However, the federal government quickly stepped in with a tonne of stimulus, which helped to prop up the market. This was huge for goeasy, and the market quickly recognized the significantly reduced risk around the TSX stock.

So, it makes sense that the stock has already had a rapid recovery. I recommended [goeasy](#) back in April. Since then, the stock has recovered by roughly 75%.

goeasy has had a lot of things going for it that contributed to its success. The consumer lending industry has been booming in the last few years. Plus, goeasy has very little competition in the sub-prime sector of the market.

Furthermore, the company has done an incredible job of keeping its charge-off rates consistent, which is the main reason why it's been so profitable.

Today, the company still trades below its pre-pandemic high, offering an attractive entry opportunity for a high-growth stock that's set to continue its incredible run.

Bottom line

Coming out of the pandemic, the best TSX stocks will likely continue to get better. As their competitors struggle, these stocks will be perfectly positioned to continue their pre-pandemic growth.

So, I wouldn't sleep on these names for too long, or you may end up missing the massive rally in the shares altogether.

CATEGORY

1. Coronavirus
2. Investing

TICKERS GLOBAL

1. TSX:ATZ (Aritzia Inc.)
2. TSX:GSY (goeasy Ltd.)

PARTNER-FEEDS

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