



3 Stocks You Should Buy in Your 20s to Retire as a Millionaire

Description

One of the best things you can do in your 20s is to build a solid financial foundation. You have the advantage of time and can take more risks, which could make you a fortune. Don't be discouraged if your budget is tight, as even a small amount invested in your 20s can go a long way.

For instance, a monthly investment of \$200 at a modest return of 10% can fetch you more than a million dollars by the time you retire, thanks to the power of compounding.

Thus, the sooner you start, the more money you can accumulate. All you need is a habit of saving and investing regularly. You can increase your investment amount as you grow your income, which could further boost your returns.

For those who are willing to enter the investing world in their 20s, here are three stocks to buy right now.

Dye & Durham

Shares of **Dye & Durham** ([TSX:DND](#)) have tripled from its IPO price since listing on the stock exchange on July 17. Dye & Durham's stellar run is backed by its robust financial performance, history of accretive acquisitions, and demand for tech stocks, which is likely to sustain in the coming years.

Dye & Durham's cloud-based software helps legal and business professionals gain access to public records instantly. The demand for its offerings remains very high, reflected through the strong growth in its revenues and EBITDA.

Its top line has grown at a compound annual growth rate (CAGR) of 71% from FY16 to FY19. Meanwhile, its adjusted [EBITDA increased](#) at a CAGR of 136% during the same period. Since October 2018, Dye & Durham added more than 20,000 new customers and acquired seven businesses. Its churn rate remains very low, while none of its customers account for more than 2% of its revenues, which is encouraging.

With a large addressable market, strong and growing customer base, ability to acquire accretive businesses, and high customer retention rate, Dye & Durham could continue to generate solid returns for its investors in the long run.

Lightspeed POS

Lightspeed POS ([TSX:LSPD](#)) is another top stock for investors in their 20s. A structural shift towards the online platform is driving demand for Lightspeed's digital products, which I believe could sustain in the foreseeable future.

Small- and medium-sized businesses are shifting to the omni-channel platform to meet the growing demand from their customers. Lightspeed's digital products support these businesses by managing their payments, e-commerce, and supply chain.

The rising demand is likely to drive strong growth in Lightspeed's customer base, gross transaction volume, and its revenues in the coming years. Its valuation is likely to expand further, reflecting a high growth rate.

Absolute Software

Absolute Software (TSX:ABT) is another top [stock to buy and hold for decades](#). The company's cloud-based endpoint security software continues to witness strong demand due to the rising cyberattacks. Meanwhile, the demand for its products and offerings has accelerated in recent times, as the COVID-19 outbreak has forced people to work and study remotely.

Absolute Software should continue to witness strong growth for its platform, as remote work and distance learning become new normal. Its recurring revenues are growing at a healthy rate, implying that t

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2. TSX:DND (Dye & Durham Limited)
3. TSX:LSPD (Lightspeed Commerce)

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