



## 3 Hot Stocks Poised for Huge Growth Over the Next Decade

### Description

The stock market recovered too much too fast from the pandemic-led economic shock, making investing tough at the current levels. Meanwhile, the continued rise in infections and an uncertain economic outlook makes it difficult to gauge whether the growth in stocks is sustainable in the future.

Surprisingly, secular tailwinds continue to propel a few **TSX** stocks higher, and the trend is likely to continue regardless of the economic concerns. So if you are looking to invest in shares, here are three TSX stocks poised for massive growth over the next decade.

### Absolute Software

Rising cybersecurity threats and structural shift towards remote work and learning have emerged as a multi-year growth catalyst for **Absolute Software** (TSX:ABT). Its security software and services have been witnessing an acceleration in demand as COVID-19 pandemic has forced people to work and learn remotely.

Meanwhile, investors should note that Absolute Software has consistently performed well even in the pre-pandemic phase, thanks to the robust commercial recurring revenues. Absolute Software has very few direct competitors, which further solidifies its market positioning and drives growth.

I believe that Absolute Software's ability to grow its annual recurring revenue (ARR) from the new customers and improvement in retention rate would further accelerate the growth in its total ARR. A higher ARR implies that its future revenues could continue to grow at a brisk pace.

Shares of Absolute Software are up over 84% year to date and are likely to trend high over the next decade, thanks to its strong fundamentals and favourable industry trend.

### Dye & Durham

**Dye & Durham** ([TSX:DND](#)) is another top growth stock to buy and hold over the next decade. Its cloud-

based software and solutions are in high demand from legal professionals, thus driving its revenue and EBITDA at a breakneck pace. Also, its accretive acquisitions further boost its growth.

Dye & Durham's revenues and [EBITDA increased](#) have grown at a compound annual growth rate of 71% and 136%, respectively, from FY16 to FY19. Meanwhile, the company has added over 20,000 new customers and acquired seven companies since October 2018.

The company's unique offerings coupled with a large addressable market, provide a strong underpinning for growth. Moreover, acquisitions, new customer additions and very low churn rate further accelerate its growth.

Its stock has more than tripled (from its IPO price of \$7.50) since listing on the exchange on July 17 and could continue to deliver huge returns in the coming years.

## Lightspeed POS

The heightened online activity has led businesses to move online, thus driving demand for the services and offerings of **Lightspeed POS** ([TSX:LSPD](#)). The company helps small – and medium-sized businesses in managing their payments, supply-chain, and e-commerce.

The structural shift toward the omni-channel platform is driving stellar growth in Lightspeed's gross transaction volume (GTV) and customer locations, in turn, its stock.

The robust demand for its digital products, higher monetization, improving ARPU, solid recurring revenues are likely to drive Lightspeed's stock higher in the coming years.

## Bottom line

Investors should note that these [high growth stocks](#) have multiple growth catalysts that could continue to lend support to their stocks. Strong fundamentals, secular industry trend, and a large addressable market are likely to drive huge growth in these three TSX stocks over the next decade.

### CATEGORY

1. Coronavirus
2. Tech Stocks

### TICKERS GLOBAL

1. TSX:ABST (Absolute Software)
2. TSX:DND (Dye & Durham Limited)
3. TSX:LSPD (Lightspeed Commerce)

### PARTNER-FEEDS

1. Business Insider
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