



## 4 High-Growth TSX Stocks to Buy in September

### Description

Growth stocks can be a mixed bag, and the pressures of 2020 have made it even tougher to select names that can go the distance. However, here are four picks that satisfy a 200% annual earnings growth strategy.

### Bet on a recovery for high growth

**Xebec Adsorption** (TSXV:XBC) is a strong play for gas bulls. With winter on the way and economies reopening, it might be a safe assumption that gas prices could improve soon. As one of Canada's main areas of natural resource revenue, natural gas still has a fair few years left in it yet. Xebec stock hits the right notes as a long-term buy, matching hearty balance sheet health and +200% projected annual earnings growth.

Three-year total returns could be off the charts. Shareholders might expect their investment multiplied many times over, with a potential 600% total returns estimated by 2023. Five-year percentage returns are currently projected to be in the thousands. A word on value, however. While this stock sells for less than \$5, its P/B is double the Canadian machinery industry average.

Speaking of machinery, **Martinrea International** is also looking at around 200% earnings growth over the next couple years. Its share price appreciation is not projected to have the huge growth assigned to Xebec. However, that earnings growth will help to cover a 2% dividend yield. As a one-stop shop for metal parts manufacture and international retail, Martinrea is a strong play for a [strengthening industrial sector](#).

### Grab a “pizza” the growth stock action!

Now, investors of a less bullish nature may be thinking, “How do I find [growth in more defensive sectors](#)?” **Boston Pizza Royalty Incomes Fund (TSX:BPF.UN)** is both a play for an economic comeback and a recession-proof consumer staples pick. A limited purpose open-ended trust with a healthy balance sheet, Boston Pizza also has a bright outlook.

But it's not all growth with this name — it's also a value play. Yes, this is another name with a forecast earnings growth of 200% annually. But Boston Pizza is also trading at a significant discount at the moment. Investors have here a fund packed with growth potential that is also trading at 37% of its fair value. Its P/B ratio of 0.6 times book also undercuts the industry average.

And now we come to **Crown Capital Partners**. This private equity firm could have a busy time soon as businesses stalk each other across a post-pandemic landscape of mergers and acquisitions. Indeed, with earnings growth of around 190% expected for the next one to three years annually, Crown Capital is looking like a sturdy growth stock to buy and hold for a recovery.

This mix of stocks is fairly diversified, making for a handful of names that can be held in concert with little fear of overexposure. Investors may want to consider only buying one or the other of the Xebec and Martinrea, though, as there is some minimal overlap in their sectoral areas. Aside from that, though, this is a solid quartet of growth stocks to buy and hold for a recovery.

## CATEGORY

1. Investing

## TICKERS GLOBAL

1. TSX:BPF.UN (Boston Pizza Royalties Income Fund)
2. TSX:XBC (Xebec Adsorption Inc.)

## PARTNER-FEEDS

1. Business Insider
2. Koyfin
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