



Growth Investors: 3 TSX Stocks That Just Surged Over 100%!

Description

For many TSX-listed companies, 2020 will be a painful year to forget. However, for an elite few TSX growth stocks, 2020 may be one of the most memorable years of growth and shareholder value creation. Today, I am looking at three top TSX growth stocks that on average are up 223% since March and 95% year to date.

This TSX growth stock is feeding Canadians at home

Goodfood Markets ([TSX:FOOD](#)) is probably the best overall performing TSX growth stock that you have never heard of. Over the past three years, Goodfood has steadily been gaining traction as a leading distributor of meal kits and online groceries in Canada. Since 2017, the stock has bounced between \$2/share and \$3.50/share. However, the COVID-19 pandemic changed all of that.

When the pandemic lockdown occurred, Goodfood's stock dropped to a two-year low of \$1.90/share. Yet in the subsequent bounce back, Goodfood has gained over 372%! With Canadians stuck at home and restaurants shutdown, the appeal for an easy, creative meal kit instantly expanded across the country.

Goodfood has seen its subscriber count increase by about 40% year over year in each consecutive quarter. It has been investing heavily in its supply chain, distribution capacity, and economies of scale, and it is paying off. In its most recent quarter, the company broke a net profit and earned positive EBITDA!

While this TSX growth stock is certainly pricey, I see a lot of long-term opportunities in digital/e-commerce groceries. Goodfood is perfectly established for long-term gains out of this trend.

This stock is disrupting retail commerce

Another strong performing TSX growth stock is **Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)). Since hitting its March low, it's gained 165%! The stock is only up 15% year to date, but I think that there is

still some upside to be made this year. The stock is certainly not cheap with a price-to-sales ratio of 19 times. However, compared to its large competitor, **Shopify** (51 times sales), Lightspeed is relatively cheap.

Lightspeed is intriguing, because of the large market it is disrupting. Its CFO [recently commented](#) that 80% of global point of sales still use hardware-driven legacy systems. Lightspeed's cloud based, omni-channel POS system is enabling multiple sales verticals for retailers. In the new e-commerce age, this type of system is more important to merchants than ever.

Lightspeed recently IPO'd on the **New York Stock Exchange**. The \$332 million of proceeds, should provide ample capital to invest in research and development and expand a potentially lucrative merchant loans business in the United States. I think this TSX stock is still cheap compared to the opportunity ahead.

This TSX growth stock is flying forward

Cargojet ([TSX:CJT](#)) is another growth stock that has been a net beneficiary from the pandemic crisis. It is up 132% since March 16, and 87% year to date. Being Canada's largest overnight freight [airline](#), it is not surprising that this stock is soaring. With people stuck at home during the lockdown, Cargojet saw a major uptick in demand for e-commerce and healthcare-related cargo.

I don't know about you, but over the pandemic I upgraded to **Amazon** Prime and have been enjoying next-day delivery ever since. I suspect other Canadians are doing the same. Amazon actually owns a 10% stake in Cargojet. This ensures Cargojet will continue to benefit as e-commerce and same-day delivery volumes rise.

Cargojet already dominates around 90% of Canada's overnight air traffic cargo. Yet I believe its expansion internationally will enable another new leg of growth. In terms of structural growth trends, this TSX growth stock has a long runway, and I would still buy it as a long-term bet.

CATEGORY

1. Coronavirus
2. Investing
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TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. TSX:CJT (Cargojet Inc.)
3. TSX:FOOD (Goodfood Market)
4. TSX:LSPD (Lightspeed Commerce)

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