



Got \$2,500? Buy These 2 Unstoppable TSX Stocks With Multi-Bagger Potential

Description

If you're looking to buy a **TSX** stock these days, whether you're just starting out or adding to an already established portfolio, your best bet is finding top stocks with good momentum. Investing in stocks with momentum requires a good balance, however, as you want to find high-quality businesses that are growing, but you don't want to overpay for them.

Often, these top businesses have a lot of the same qualities. The companies will operate in a long-term growth industry. In addition, you want companies growing their market share. The best stocks are those that give you exposure to a business growing its slice of a growing pie.

The companies should then have consistently growing revenue, along with strong economics. This means consistent or improving margins leading to increased profitability.

Here are two unstoppable TSX stocks you can't go wrong adding to your portfolio today.

Consumer staple TSX stock

North West Company ([TSX:NWC](#)) is a top consumer staple stock that's up roughly 15% in the last two months. North West is a great company you can count on in the pandemic and the long term. The company operates in remote communities, which is extremely attractive, because it sells essential items and has very few competitors.

So, when others have been closed because they are niche stores, North West, which sells a variety of products, is able to gain market share. This has helped it to grow its sales, especially with big-ticket items.

Over the last few years, North West has done brilliant work to improve the economics of its business. It's done this by selling non-core assets. It's also invested in integrating its business, which will continue to increase profitability.

To give you an idea of just how much the company is improving, the company smashed earnings

expectations at its most recent earnings report.

In its most recent quarter, the TSX stock managed to grow revenue by over 20%. However, what was really attractive is that the company's margins improved so much that its earnings per share jumped a whopping 188% year over year.

This incredible result led North West to increase the dividend by 9%. The dividend increase was no surprise given North West is a top Dividend Aristocrat.

Of course, some of the increase to its revenue has been due to the pandemic; however, North West has the qualities to retain a lot of this new business going forward. So, if you're looking for a [top dividend stock](#) to buy in this environment, North West is a great pick.

Top e-commerce tech stock

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) is another unstoppable stock to buy now. The company has been a top growth stock up more than 3,350% over the last five years. Despite this massive growth, however, there is still much more potential long term.

E-commerce is a long-term trend that still has room to grow. It has continued to increase in popularity with consumers as costs come down with innovation and scale. However, the coronavirus pandemic has been one of the biggest tailwinds for the e-commerce industry.

This is why Shopify is so attractive. It's one of the main beneficiaries of the e-commerce trend. However, it's also been one of the main companies bringing the innovation that's driving e-commerce's growth.

Shopify's platform empowers small- and medium-sized businesses to grow their business in ways never imagined. This makes it crucial that these companies continue to use the platform. And because so many companies will continue to subscribe to its services, most of Shopify's revenue will be recurring.

As of its most recent quarter, Shopify has grown its revenue at a compounded annual growth rate of more than 67% in the last 36 months. In the second quarter, its revenue was over \$700 million. That's more than 370% higher than the revenue earned during the same quarter in 2017 for the [tech stock](#).

It's clear that Shopify is capable of delivering impressive growth, and this is only the beginning. Long term, the TSX stock will continue to disrupt retail and reward investors.

Bottom line

Growth stocks with momentum can make a big improvement in your return potential. You just have to make sure that the TSX stocks are high quality and you don't overpay.

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1. Investing

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