TSX Stocks: 3 Canadian Gems That Could Make You a Millionaire by 2030

Description

Canadian markets offer plenty of options when it comes to dividend investing. However, it also has a few growth stocks for millennial investors, especially for those with relatively shorter investment horizons.

It would certainly be heartening to have a seven-digit bank balance in your later years. But how can one accomplish such a feat with these unreliable markets? It's true that markets have been extremely volatile and unpredictable this year.

However, if you want to achieve higher returns in a shorter time, you have to take a little higher risk. Companies which generally grow their revenues and earnings at a superior rate provide market-beating returns.

Investors should note that it makes sense to take a higher risk when you have sufficient cash for your emergencies and a longer investment horizon.

Shopify

If you are looking for growth stocks, consider tech titan **Shopify** (TSX:SHOP)(NYSE:SHOP). The e-commerce enabler has grown its revenues by 60% compounded annually in the last four years, far higher than the broader market average.

The stock returned 95% compounded annually in the same period. If you had invested $25,000 in SHOP in May 2015, the investment would have grown to $1.06 million today.

Technology companies generally exhibit higher profit margins and they have a growing market. That's why they usually outperform broader markets. Shopify outperformed tech peers and consistently outshone all these years.

It might continue the bull run for the next few years, given the underpinning macroeconomic factors and its growing addressable market. The pandemic has highlighted the need to have a digital presence for small and medium-sized businesses. So, even if pandemic and lockdowns wane next year, the changed consumer behaviour and e-commerce will likely continue to benefit Shopify.

Cargojet

Air cargo operator **Cargojet** (TSX:CJT) is another high-growth stock that has multiplied shareholders' wealth in the last few years. The freight and logistics airline company has managed to operate fairly smoothly throughout the pandemic.

The stock has returned 50% compounded annually in the last five years. Even if that looks much smaller compared to Shopify, that still thrashes broad market returns in the same period.

With mobility restrictions in place amid the pandemic, Cargojet saw one of the best years this year. The stock is among the top performers this year and is up more than 115% so far.

A unique network, scale and time-sensitive delivery are some of its key competitive advantages. The emerging e-commerce industry might continue to boost the air cargo operator in the next few years.

Constellation Software

Constellation Software (TSX:CSU) is my third pick among high-growth stocks. It has returned 43% compounded annually in the last decade. The company acquires smaller tech firms with a dominant position in the niche markets. Its strong balance sheet and management expertise facilitate timely and prudent acquisitions.

If one had invested $25,000 in CSU stock a decade ago, it would have accumulated $1.2 million today.

It's not a given that these companies will exhibit similar growth for the next few years, however. However, supporting external factors and their competitive advantages will likely enable market-beating returns. One with a relatively higher risk appetite can consider these stocks for faster wealth creation.

CATEGORY

1. Coronavirus
2. Investing
3. Stocks for Beginners
4. Tech Stocks

TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:CJT (Cargojet Inc.)
3. TSX:CSU (Constellation Software Inc.)
4. TSX:SHOP (Shopify Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Coronavirus
2. Investing
3. Stocks for Beginners
4. Tech Stocks

Date
2025/08/23
Date Created
2020/12/01
Author
vinitkularni20