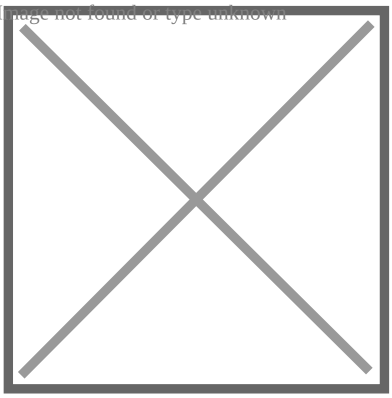

Got Some Idle Cash? Zoom in on These High-Growth TSX Stocks

Description

If you are sitting on some idle cash and don't need it for emergency use, consider buying the **TSX** stocks offering high growth. The rally in a few TSX stocks is likely to sustain in 2021 and beyond, thanks to their strong growth catalysts and positive industry trends.

Let's dive deeper into two TSX-listed stocks poised to outperform the broader markets and deliver hefty returns in the coming years.

goeasy

goeasy (TSX:GSY) stock has consistently made money for its investors and has delivered stellar returns over the past several years. Besides the appreciation in its stock price, goeasy has boosted its shareholders' returns through higher dividend payments.

The company's outperformance comes on the back of its robust revenue and earnings growth over the past two decades. Investors should note that goeasy's profitability has increased at a compound annual growth rate (CAGR) of about 30% during the same period. Even amid the pandemic, goeasy's bottom line jumped about 51% for the nine months of 2020.

goeasy's resilient business and a large and underpenetrated subprime lending market provide a strong foundation for growth. Moreover, economic reopening is likely to drive consumer demand and support its loan origination volume.

With sustained momentum in its base business, channel and geographic expansion, and tight expense management, goeasy could continue to deliver robust bottom-line growth in the coming years. Besides, strong credit and payment performance are likely to support its profitability and support the uptrend in its stock.

Further, with its strong performance on the profitability front, investors could expect goeasy to continue to raise its dividends in the future. Notably, the subprime lender has increased its dividend in the last six years and has paid dividends for 16 years. Currently, goeasy offers a decent dividend yield of 2.1%.

Dye & Durham

Dye & Durham (TSX:DND) is another top stock that could handily outperform the broader markets in 2021 and beyond and deliver strong returns. It has jumped over five times from its IPO price of $7, and I expect the rally in its stock to sustain, thanks to its large and growing blue-chip customer base and appetite for accretive acquisitions.

The company has over 25,000 active clients with a meagre customer churn rate of 2%. Meanwhile, the average tenure of its top 100 client accounts is about 16.6 years.

Dye & Durham completed seven acquisitions over the past two years that have expanded its geographical reach and accelerated its growth. For instance, its revenues have more than doubled over the past two years, thanks to the continued demand for its products and accretive acquisitions. Meanwhile, its adjusted EBITDA has also grown at a breakneck pace.

Recently, Dye & Durham announced the acquisition of SAI Global Property to expand into the Australian market. Dye & Durham expects to generate substantial cash flows through SAI Global's workflow software and drive EBITDA growth.

With its strong active customer base, sustained demand for its products and services, subscription service offering, and accretive acquisition, Dye & Durham remains well positioned to deliver outsized growth.

CATEGORY

1. Bank Stocks
2. Coronavirus
3. Dividend Stocks
4. Tech Stocks

TICKERS GLOBAL

1. TSX:DND (Dye & Durham Limited)
2. TSX:GSY (goeasy Ltd.)

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