



3 High-Growth TSX Stocks That Can Double Your Money

Description

Boosted by the vaccine euphoria, the **S&P/TSX Composite Index** rose 13% since the beginning of November and currently trades just 1.8% lower from its all-time high. Last month, **Canadian Imperial Bank of Commerce** had [reported](#) that Canadian households were sitting on cash of over \$90 billion, which they had saved for emergencies.

Meanwhile, the widespread distribution of vaccines could prompt them to spend more, thus driving the economy and equity markets higher. Amid the optimism, here are the three high-growth TSX stocks that could double your investments in the next three years.

Docebo

Docebo ([TSX:DCBO](#))([NASDAQ:DCBO](#)) provides a highly configurable cloud-based e-learning platform. Amid the pandemic, the demand for the company's services rose, as many people preferred to work and learn from their homes. In the recently announced third quarter, the company's top line grew 52% to \$16.1 million. It also reported a positive EBITDA for the first time since going public.

Meanwhile, the demand for e-learning solutions could sustain in the post-pandemic world also, as businesses look to upskill their employees amid the changing business environment. Also, e-learning solutions provide cost-efficient and convenient means to provide learning and developmental support while the employees are still engaged in their day-to-day activities. So, I believe the demand for Docebo's services could rise in the coming years.

Docebo earns above 93% of its revenue from recurring sources, which provides stability to its financials. Also, three-fourths of its enterprise customers have chosen multi-year contracts. Further, the company is looking at strategic acquisitions to expand its geographical presence. So, I believe [the company's growth prospects look healthy](#).

Goodfood Market

The pandemic-infused shutdown had boosted the demand for online grocery delivery services, driving **Goodfood Market's** ([TSX:FOOD](#)) financials and stock price higher. Its top line grew 85% in the August-ending quarter, driven by expansion in its customer base and higher average order values.

Meanwhile, the company's profitability also improved amid higher operating efficiency, increased density in the delivery zones, automation, and lower incentives and credits. It had reported net profits of \$1.6 million compared to a \$5.9 million net loss in the previous year's quarter.

Given the structural shift towards online grocery services and its large customer base, the demand for Goodfood's service could sustain even in the post-pandemic world. Further, the company is also increasing its production capacity, broadening its product offerings, and expanding its operating footprint to increase its market share.

Amid the recent pullback in high-growth stocks, Goodfood is trading over 10% lower from its all-time high, proving an excellent buying opportunity for long-term investors.

Dye & Durham

Third on my list would be **Dye & Durham** ([TSX:DND](#)), which provides cloud-based solutions to legal and business professionals to improve their efficiency. It has delivered multi-fold returns since going public in July. I expect the rally to sustain, given its large customer base, low customer churn rate, growing addressable market, and an appetite for accretive acquisitions.

Last week, Dye & Durham acquired DoProcess, which provides software solutions that aid Canada's legal professionals. The company also entered Australia earlier this month by signing a definitive agreement to acquire SAI Global's Property Division, which facilitates real estate transactions.

In September, it had acquired R-Squared Bidco, which provides cloud-based real estate due-diligence in the United Kingdom, for \$54.5 million. Meanwhile, Docebo has recently raised over \$200 million through new equity offerings to support its growth initiatives.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. TSX:DCBO (Docebo Inc.)
3. TSX:DND (Dye & Durham Limited)
4. TSX:FOOD (Goodfood Market)

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Author

rmanjapla

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