



3 Canadian Stocks That Doubled in 2020

Description

2020 hasn't been the best year for Canadian markets. While the **TSX** is up for the year, it's only up 2.54%. That's not great compared to 2019, when it rose 20%.

But there are still plenty of Canadian stocks that delivered superior gains this year, particularly tech stocks. By focusing on certain individual stocks, you could have doubled your money—or more—in 2020. The following three stocks are among those that could have given you the coveted 100% return just mentioned.

Shopify

Shopify Inc ([TSX:SHOP](#))([NYSE:SHOP](#)) is a Canadian tech stock that has risen a blistering 183% this year. Starting the year at \$530, it was all the way up to \$1,500 as of this writing.

This isn't the first time Shopify rose more than 100% in a single year. Since its Initial Public offering (IPO), it has risen a staggering 4,195%. That IPO was a mere five years ago... which gives us a compound annual growth rate of 113%!

Not bad for a Canadian startup that didn't even exist 20 years ago.

In 2020, Shopify *benefitted*—rather than lost—from COVID-19 lockdowns. With retailers out of business, e-commerce sales surged. As a result, SHOP grew revenue at 96% and 97% year over year in the second and third quarters, respectively. Most likely, that growth will slow down in 2021. But you can't deny Shopify shareholders this distinction: They absolutely *crushed* the market in 2020.

Lightspeed

Lightspeed POS Inc ([TSX:LSPD](#))([NYSE:LSPD](#)) is a medium-sized POS company that is similar to Shopify in many ways. Like Shopify, it's involved in e-commerce. Also like Shopify, it had a recent, *wildly successful IPO*. Unlike Shopify, Lightspeed has traditionally been more focused on retail than

online sales.

That began to change in 2020, though, with the COVID-19 pandemic. Earlier this year, the company began helping retailers transition to online sales, to cope with the closure of their retail stores. The initiative was a massive success.

In its most recent quarter, Lightspeed grew sales by 62% year over year, driven in large part by strength in its e-commerce business. Its stock was up just a hair over 100% for the year, as of this writing.

Facedrive

Facedrive Inc (TSXV:FD) is a ride sharing app that debuted recently on the TSX. At one point, it was up 1,000% from its IPO price. It has fallen since then, but is still up 600% for the year.

Of all the stocks on this list, Facedrive is the one I'm personally the *least* excited about going forward. The main factors driving its growth seem to be the hype surrounding ride sharing, and its high revenue growth. In the first quarter, FD grew revenue at 1,000% year over year. While that sounds impressive, keep in mind that its base year earnings were only \$36,000.

Many Canadian *individuals* make more money than that in a year—never mind businesses. When you're starting from such a small base it's much easier to grow. But even with all that growth, FD's revenue was only \$380,000 in the first quarter.

On that revenue, it ran a \$1.5 million loss. So that 1,000% growth isn't as impressive as it looks on the surface. Nevertheless, Facedrive did impress investors in 2020, making it the highest returning stock on this list of stocks that more than doubled this year.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:LSPD (Lightspeed Commerce)
4. TSX:SHOP (Shopify Inc.)
5. TSXV:STER (Facedrive Inc.)

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