



TFSA Investors: The 3 Best TSX Stocks to Buy Now and Hold for the Next Decade

Description

I have said it before that the Tax-free Savings Account (TFSA) is an excellent channel to invest in stocks. As capital gains in your TFSA are not taxed, focusing on high-growth stocks could help create a significant amount of wealth in the long term.

Now is the time to invest in high-quality stocks through your TFSA, as the expected economic expansion and revival of demand provide a strong underpinning for growth. I have chosen three growth stocks that could outperform the broader markets over the next decade and generate outsized tax-free capital gains.

Lightspeed POS

2020 witnessed a steep acceleration in the pace of transition toward the omnichannel platform, which led to a massive rally in **Lightspeed** ([TSX:LSPD](#))([NYSE:LSPD](#)) stock. Its omnichannel payment platform registered strong demand, and its payment revenues exploded, as reflected through a 300% growth in the last reported quarter.

I believe the e-commerce spending will only increase over the next decade, which is likely to support the uptrend in Lightspeed stock. Meanwhile, the structural shift towards omnichannel platform provides a long-term growth opportunity for the company.

Thanks to the rally in the stock, Lightspeed's [valuation looks stretched](#). However, its valuation shouldn't be a concern for long-term investors, as favourable secular industry trends are likely to spur demand and drive its stock higher over the next decade. Innovation and product expansion could continue to cushion its average revenue per user and, in turn, its margins, and support the uptrend in its stock.

goeasy

goeasy ([TSX:GSY](#)) is a [must-have stock](#) for long-term investors. The company has delivered exceptional returns over the past several years and handily outperformed its bigger rivals, thanks to the double-digit growth in its top and bottom line.

The subprime lender operates a highly profitable business, as reflected through the stellar growth in its bottom line, even amid the pandemic. goeasy's earnings have grown at a CAGR of about 30% since 2001. Meanwhile, in the first nine months of 2020, its net income increased by about 52%.

I believe the economic expansion is likely to spur consumer demand and drive its loan portfolio. Further, its channel expansion and new product launches could drive its bottom line at a high double-digit rate, supporting the uptrend in its stock.

Investors should note that goeasy's high-quality earnings drive its dividend payments. goeasy has paid dividends in the past 16 years and raised the same over the past six consecutive years. goeasy stock currently yields over 1.8%.

Cargojet

Cargojet ([TSX:CJT](#)) stock featured in the TSX 30 list (30 TSX stocks that marked strong price appreciation over the past three years). The high-growth company is poised to deliver stellar returns over the next decade, thanks to its resilient business model and strong demand.

Cargojet's strong national network and next-day delivery capabilities position it well to grow and expand its market share and capture the increased demand from the e-commerce vertical. Also, its long-term contracts and fleet optimization augurs well for growth.

Cargojet stock more than doubled in 2020 and remains on course to rise further in 2021, reflecting sustained demand, capacity expansion, and new customers' acquisition.

CATEGORY

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

TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. TSX:CJT (Cargojet Inc.)
3. TSX:GSY (goeasy Ltd.)
4. TSX:LSPD (Lightspeed Commerce)

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