



## 3 of the Best Canadian Growth Stocks to Buy with \$1,000 Today!

### Description

It has been a wild ride for Canadian [growth stocks](#) in 2021. The reversion to cyclical and value stocks has meant that many high-flying growth stocks have taken a bit of a breather. However, I am looking at this as an opportunity. Many growth stocks are helping to revolutionize the world in their particular niche.

As a result, Canadian growth stocks have both operational and thematic tailwinds that should propel them forward for years. Sure rising interest rates could have an effect on present valuations to some extent. The point is, don't own these secular growth leaders for a day or a month or just a year. Plan to be a long-term owner and let the power of these growth trends work for you.

### A Canadian e-commerce giant

I have never been a huge fan of **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)). I have always felt the valuation has been too extreme to make it investible. Yet, quarter over quarter and year over year, this business has far exceeded the market's expectations. Just like **Amazon**, it is a juggernaut at making business possible through digital/online mediums.

Certainly, I am a little concerned about a large number of [C-suite executives leaving the company](#). Yet, this is the course of business as an enterprise matures. Some of the market chatter and recent stock weakness likely present an attractive time to buy this market-leading Canadian stock. Any pullback in the past five years has been an attractive entry point to buy.

Of course, I would rate this stock on the riskier spectrum because of the elevated valuation. Yet, e-commerce isn't going anywhere. Chances are good it will continue to be a more and more central part of our lives in five, 10, and 20 years' time. Given this, Shopify looks reasonably attractive today.

### A Canadian small cap stock with a big market

A much lesser-known Canadian stock that looks intriguing is **Sangoma Technologies** (TSXV:STC).

While it only has a market capitalization of \$520 million, I think this stock is well positioned for long-term growth.

Sangoma provides unified communications-as-a-service (CaaS) solutions for small-to-medium sized businesses. The company provides all-in-one omni-channel communications services that integrate virtual and office networks.

This Canadian stock just merged with Star2Star, a similar-sized American digital communications business. The deal provides opportunities for cross-selling, synergies, scale, and broader geographic exposure. On both sides, management is aligned. I think this is just the start of a very good growth opportunity from here.

## A Canadian stock consolidating Europe

**Topicus.com** ([TSXV:TOI](#)) is a recent Canadian stock spin-out from **Constellation Software**. In essence, it will operate like a mini-Constellation in the Netherlands and Western Europe. Last year, the company grew revenues, net income, and free cash flow by 18%, 37%, and 25%. Yes, that's right, this Canadian growth stock is profitable — and quite profitable at that.

Under the guidance of Constellation, I think this stock could really do well. Europe has a number of great niche software businesses. However, the venture community is perhaps not as mature as in North America. Consequently, Topicus.com has ample consolidation opportunities to bring smaller vertical market software businesses under its wings. Constellation's management team has an exceptional record at allocating capital.

As a result, this Canadian stock has some extra managerial fire-power backing it. Certainly, it is early days and the stock is not cheap. Yet, if this stock even performs at half the rate of its parent-company, Canadian investors will be set for some very attractive returns.

### CATEGORY

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

### TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:SHOP (Shopify Inc.)
3. TSX:STC (Sangoma Technologies Corporation)
4. TSXV:TOI (Topicus.Com Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media

6. Sharewise
7. Yahoo CA

**Category**

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

**Date**

2025/08/19

**Date Created**

2021/04/28

**Author**

robbybrown

default watermark

default watermark