



1 TSX Stock Could Rise 1,000% in 10 Years!

Description

If you're looking for a **TSX** stock that's set to explode, you need to first take a broader approach and look at industries. While one stock is great, what's really going to practically guarantee growth is an entire industry that's set to soar. So, I'm going to dig into one of those industries (not e-commerce, electric vehicles, or even cryptocurrency). Then I'll discuss a stock I would buy today for at chance at 1,000% growth in the next decade.

Back from the brink

Canadians and, indeed, the entire world are finally starting to see signs of a recovery from the pandemic. With vaccinations well underway, many wonder what a post-pandemic world will be like. There are a lot of new industries that have been introduced during the pandemic. Some investors worry that those industries will be all but abandoned in the coming years.

But, at least in one case, that's simply not true. The healthcare industry received a lot of investment during this time. That's quite likely to be the case moving forward. It's very clear now that the world was unprepared for this catastrophe, and that cannot happen again. Investment into healthcare is all but guaranteed.

Beyond this broader theme, I would then zoom in on one aspect of healthcare that saw immense growth, and that's virtual healthcare. With everyone at home, there needed to be a safe way to see a doctor. Virtual healthcare offered that and more. Patients were seen faster, more often, and were provided a cheaper solution to in-office visits. It is highly unlikely that most places across Canada will simply revert to in-office visits when a doctor shortage has been hurting Canadians for years.

It's likely that virtual healthcare will start to receive major investment, especially as the industries consolidates. When that happens, a TSX stock you'll want in your portfolio is **CloudMD Software & Services** ([TSXV:DOC](#)).

The future of healthcare

CloudMD stock may be young, but it's achieved a lot in a short time. Let's start with growth. The company came onto the scene back in 2018 with a market capitalization of just \$33.2 million. Fast forward [just three years](#), and today the company has increased that market capitalization to a whopping \$374.1 million!

A lot of this comes from growth through acquisition. Sure, the company has also taken on debt during that time, but the revenue is already paying off. And it really isn't all that much. To date, the company has just \$7 million in debt, with revenue increasing by a whopping 187% year over year during the latest earnings report.

The company closed five acquisitions during the first quarter, adding \$13 million in annual revenue. And between the first quarter and the report, it closed two more and said a further two will close in June. This would bring in an additional \$79 million in annual revenue.

Yet the company's current revenue of \$120 million doesn't even take into consideration [expected organic growth](#) or synergies. Plus, it has a strong cash position of \$95 million on hand and \$35 million remaining after the latest two acquisitions. It therefore is able to receive new debt-financing options, make further acquisitions, and be profitable by the second half of 2021.

What's the catch?

Part of the reason I believe CloudMD stock will continue to climb by 1,000% in the next decade is simple: [it's cheap](#). Shares of the TSX stock trade at a measly \$1.85 as of writing. So, you could have a small stake in this TSX stock, and a 1,000% growth would increase that to \$18.50 per share. That could turn a \$5,000 investment into \$50,000!

But because the TSX stock is so cheap, even if that share price growth happens — and I believe it will — there is likely to be volatility along the way. Just look at the last year. Shares exploded by 1,180% from its initial public offering in 2018 to October of 2020. Since then, shares have come down with the tech pullback by 42%.

But I believe that leaves a strong opportunity for investors to jump in at a discount. With CloudMD stock trading at 2.9 times book value, this is simply just a TSX stock that will not stay down for long.

CATEGORY

1. Coronavirus
2. Investing
3. Personal Finance

TICKERS GLOBAL

1. TSXV:DOC (CloudMD Software & Services Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Coronavirus
2. Investing
3. Personal Finance

Date

2025/08/20

Date Created

2021/05/30

Author

alegatewolfe

default watermark

default watermark