Forget Dogecoin: Instead, Buy These High-Growth TSX Stocks Now

Description

People who bought popular cryptocurrencies like Dogecoin must have seen insane growth in a very short period. However, cryptocurrencies are very risky bets and are highly volatile.

Therefore, investors with low- to medium-risk appetites could avoid cryptocurrencies like Dogecoin and consider buying some other high-growth TSX stocks to create a significant amount of wealth in the long run. With high growth in mind, I have shortlisted a few stocks that are likely to generate stellar returns on the back of favourable secular tailwinds and solid demand.

Goodfood Market

Goodfood Market (TSX:FOOD) has handily outperformed the TSX 60 Index in the last three consecutive years and returned stellar returns in the past. In the recent quarter, the company's active subscriber base rose 17% year over year, reflecting increased adoption of online grocery services and its dominant competitive positioning.

I expect the growing shift toward online grocery services should continue to drive its active subscriber base and, in turn, its financials. Meanwhile, higher investments in growing its footprint, expansion of product offerings, the launch of same-day delivery services, and targeted marketing should drive its basket size and order frequency.

Moreover, its focus on reducing delivery time and strong delivery capabilities position it well to capitalize on the positive secular industry trends. Notably, the stock is a steal at the current price levels, as it has dipped nearly 35% this year, providing a solid buying opportunity.

Cineplex

Cineplex (TSX:CGX) stock has appreciated over 25% in just one month, reflecting growing optimism among investors due to vaccine distribution and easing lockdown measures. However, Cineplex stock is trading at a massive discount from its pre-pandemic levels and is an attractive long-term bet.

While Cineplex's revenues and capacity could stay low in the near term, reflecting lower demand and reduced operations. However, I see these challenges as transitory and are likely to abate soon. Moreover, I am bullish on the long-term prospects of the company, thanks to its strong fundamentals.

Cineplex's financials are likely to get a significant boost from the reopening of its entertainment venues and theatre chains. With its operations returning to normal and consumer demand picking up the pace, Cineplex's net cash burn could show a strong sequential decline, adding a cushion to its bottom line and driving its stock higher.

goeasy

goeasy (TSX:GSY) is another top high-growth stock for 2021 and beyond. goeasy stock has appreciated significantly over the last decade and made its investors very rich. Notably, its stock has risen by 68% in six months, reflecting stellar growth in its earnings. Moreover, it has appreciated by over 176% in one year.

Despite the stellar growth, I expect the momentum in goeasy stock to sustain, thanks to the favourable industry trends, improving credit demand, and its high-quality earnings base.

I expect goeasy's loan portfolio to expand, reflecting increased consumer demand, strategic acquisitions, new product launches, and channel expansion. Meanwhile, the subprime lender's increased penetration of secured loans, higher payment volumes, and operating leverage are likely to support its bottom-line growth. Thanks to its high-quality earnings, it has raised dividends at a CAGR of 34% in the last seven years. Moreover, I expect it to continue to increase its future dividends at a similar pace and boost its shareholders' returns.

CATEGORY

1. Bank Stocks
2. Coronavirus
3. Dividend Stocks
4. Investing

TICKERS GLOBAL

1. TSX:CGX (Cineplex Inc.)
2. TSX:FOOD (Goodfood Market)
3. TSX:GSY (goeasy Ltd.)

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