



2 Top Canadian Picks for Long-Term Growth Investors

Description

Long-term investors who are in the quest for the best growth plays have come to the right place. Today, I'll be discussing two stocks that are excellent options for long-term growth investors to consider today.

Indeed, both of these companies have a proven track record of generating sizable returns for investors. Accordingly, those looking to maximize their long-term returns should consider investing in these two top Canadian growth stocks.

Constellation Software

Perhaps one of the [best growth stocks](#) on the **TSX** over the past 10 years is **Constellation Software** ([TSX:CSU](#)). Indeed, this stock has ridden the wave of investment in the software space to record highs of late.

How has Constellation done this?

Well, it's relatively simple. Constellation's business model relies on a long-term growth-by-acquisition strategy. Of course, such strategies often fail spectacularly due to empire-building CEOs and poor M&A due diligence. Fortunately for investors in Constellation stock, this is a company with a world-class M&A team. Constellation is among the most prudent and scrupulous acquirers in the market. And with more than 500 deals under the company's belt, Constellation has proven it knows what it's doing in this regard.

The highly fragmented U.S. software market remains open for business. There are currently more than 10,000 small-cap software companies in a position to be acquired in the U.S. alone, according to estimates. And Constellation seems to remain keen on picking the best diamonds out of the rough. As long as Constellation's deal flow can continue to generate outsized returns for investors, I'd expect more capital appreciation on the horizon.

Restaurant Brands

Like many stocks, **Restaurant Brands** ([TSX:QSR](#))([NYSE:QSR](#)) has faced the wrath of the pandemic. Various pandemic-induced stay-at-home orders and in-restaurant dining closures have directly affected this fast-food purveyor. Indeed, in times of crisis, fast food is typically one of the most defensive sectors to be in. However, this time around, companies like Restaurant Brands really got kicked around hard.

Herein lies the opportunity with such stocks today. The reopening thesis that's buoying so many stocks ought to take all such reopening plays higher. However, Restaurant Brands hasn't seen the amount of love other sectors have received of late.

Perhaps some of this sentiment is due to relative underperformance prior to the pandemic. Same-store sales at the company's Tim Hortons' banner provided a headwind for QSR investors for some time. However, with the pandemic providing the perfect excuse to do location retrofits and upgrades, I'd expect to see a strong resurgence in growth in the coming quarters.

Accordingly, Restaurant Brands remains one of my top overlooked picks growth investors should consider today. I think this is a company that can get back to its previous growth ways. And given the moat provided to Restaurant Brands investors via the world-class brand value this stock brings to the table, this is about as defensive of a growth option investors could ask for today.

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TICKERS GLOBAL

1. NYSE:QSR (Restaurant Brands International Inc.)
2. TSX:CSU (Constellation Software Inc.)
3. TSX:QSR (Restaurant Brands International Inc.)

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