3 Stocks Could Double Your Money in Less Than a Decade

Description

Retirement is one of the most common investment goals. More people save and invest for retirement than for anything else. One of the reasons people do it is that they disregard the short-term potential of investing. The conservative approach to investment, which helps us see the big picture, might also limit our ability to harness the full potential of investing.

You should know that with the right stocks and right allocation (usually in a TFSA, where you enjoy tax-free growth and ready access to funds), you can invest to meet your short-term financial goals. There are several stocks that might have the potential to double your money in fewer than five years, which is powerful enough growth for your short-term goals.

A clean technology company

Exro Technologies (TSXV:EXRO) is a Vancouver-based company with a market capitalization of $491.9 million. It's a clean technology company that offers "intelligent control" solutions to electrically powered vehicles. That's a different angle to capitalize on the current and potential EV boom (i.e., by making the vehicles more efficient to control and less power hungry).

It's a relatively young company. It was founded in 2014 and started trading on venture capital last September. The stock has grown almost 200% since inception, and it's already overly expensive. The good thing about the stock is that it has almost no debt, and it's well positioned to take advantage of the growing EV market. And if it keeps up its current pace for even a couple more years, it potentially *could* double your money in fewer than five years.

A payment solution company

The U.S.-based **CPI Card Group** (TSX:PMTS) has fallen hard from its glory days. In 2015, the company traded at three times the valuation it's trading now. Its financial temporary financial demise might be tied to the gradual decline of brick-and-mortar banking, but its new end-to-end solutions and contactless cards might be factors behind its sudden rise.

The share price has grown over 800% in the last 12 months, and though the momentum has slowed down in the last 12 months, another successful quarter might keep it moving upward. The good thing is that despite a major growth phase, the company is quite attractively valued. One major flaw in this stock is the debt on the company's books, which is 1.5 times its market capitalization.

A personal loan company

In the reliable growth arena, few companies can hold a candle to **goeasy** (TSX:GSY). The stock grew at an incredible pace in the 10 years before the 2020 crash, and it really took off *after* the market crash. And despite increasing almost 717% in the last five years, it's still trading at a price-to-earnings multiple of 11.2, though the price-to-book multiple is high (4.4).

goeasy has a 10-year CAGR of 38%, but even at half this pace, the stock is capable of double your investment capital in fewer than five years. The company has a solid business model, a massive national footprint, a dominant position in a highly competitive market, *and* a strong dividend history, although the yield is relatively low.

Foolish takeaway

One significant benefit of short-term growth is that it's effectively protected from the negative impact of inflation. In five years, the accumulated inflation wouldn't be able to reduce the buying power of your capital by a significant margin, and you'd be able to meet your goals like taking a vacation or buying a new car without tapping into your retirement savings.

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1. Dividend Stocks
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