



1 Growth Stock Bound for Multi-Bagger Status

Description

Investors may not miss the pandemic and economic situation in 2020. However, many miss the growth stocks. But the problem was that a lot of those growth stocks were unsustainable. Investors wanted a growth stock that looked to soar during the pandemic, but what about afterward?

So today I'm going to be talking about one growth stock that will continue to grow even after the pandemic. In fact, it will continue to grow pretty much no matter what happens in the world. It's in a sustainable industry, taking on the market share and bound for multi-bagger status.

That stock is **Nutrien** ([TSX:NTR](#))([NYSE:NTR](#)).

How this growth stock

Nutrien is definitely still considered a growth stock by Motley Fool Canada standards. The company is new, coming on the **TSX** only a few years ago. In that time, shares are up 25%. However, shares of the company dropped with other stocks back in March 2020 crash. Those shares quickly rebounded, and now are up 125%! That's definitely growth stock status.

So what's fuelling all this growth? The most sustainable source of all: food. Nutrien provides crop nutrients quite literally around the world. As the world's arable land continues to diminish, the world needs crop nutrients to fuel the soil and produce more food. This is especially true in overpopulated areas such as China and India, where Nutrien has a foothold.

Nutrien has been acquiring businesses in the crop nutrient industry on a large scale for years. It now has the [market share](#) of the industry, bringing it into the 21st century. And the company believes that it will continue to be a growth stock for this year and beyond.

Recent growth

During its latest earnings report, there were a few great surprises for Nutrien investors. The company

generated \$476 million in free cash flow, more than double that in 2020. it also increased its adjusted EBITDA by a whopping 60%! Its retail segment delivered a record \$109 million in adjusted EBITDA from favourable market conditions and supply chain improvements.

On top of growth, it also improved its cash position, lowering its average working capital by nearly \$800 million. It also saw digital platform sales double from last year, making up 20% of North American sales. So it's a growth stock in many sectors of its business.

But that's not the end. The company expects a strong year in 2021. It recently increased its annual guidance, estimating earnings per share between \$2.55 and \$3.25. It also raised its adjusted EBITDA to between \$4.4 billion and \$4.9 billion. No wonder it's a Motley Fool Canada recommendation.

Bottom line

If numbers continue like this — and they should — this could be a Motley Fool Canada multi-bagger in the years and decades to come. You don't have to take on risk to invest in a growth stock. Nutrien is proof of that. This company will continue to provide sustainable income for decades to investors.

Yet even at all-time highs, the company remains a steal trading at 1.6 times book value, and 1.7 times sales. That alone is why you should absolutely add this growth stock to your [watchlist today](#).

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