



2 Stocks That Pass the Research Test

Description

The **S&P/TSX Composite Index** has been performing better and better this year with the ongoing vaccination, relatively stable economic growth, a revival in demand, and overall improvements in the operating environment.

Some of the top TSX stocks continue to outperform the market and boost investor confidence, driving the growth of the overall market. After conducting thorough research on the top stocks contributing to the upward trend in the market, I have identified a few companies that have been some of the most impressive performers on the stock market.

Today, I will discuss two [Canadian growth stocks](#) that could be ideal assets for you to consider adding to your portfolio today to enjoy [outsized returns](#) in the coming years.

Loblaw

Loblaw Companies ([TSX:L](#)) stock is trading for almost \$87 per share at writing, and its valuation is the highest that it has been for the stock. At its current valuation, Loblaw stock is up by 36.41% on a year-to-date basis. The food and drug retailer continues to enjoy strong performances, as the demand for online grocery delivery and pick-up services managed to offset the losses caused by reduced foot traffic.

The ongoing strength in its performance, growing scale, and a larger presence for its online segment position the company well to continue delivering superior returns to its shareholders. Despite being at its all-time high levels, Loblaw could be a bargain for you to consider at its current share price.

It boasts a forward price-to-earnings multiple of 15.84, proving that the stock still has plenty of potential to deliver growth.

Shopify

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) stock is an asset that has already been making waves since it became a publicly traded company on the TSX. The stock boasts a history of consistently beating the broader markets by a wide margin. Shopify stock is trading for \$1,881 per share at writing, and it is up by 34.76% on a year-to-date basis.

While the stock might not be delivering multi-bagger returns to its shareholders this year, Shopify is likely to continue its upward trend throughout 2021.

The stock saw explosive growth with the onset of the COVID-19 pandemic. Higher demand for e-commerce businesses in 2020 boosted the company's revenues. Despite the easing of pandemic-fueled restrictions, there is a strong demand for the services that Shopify offers to enable e-commerce businesses.

Additionally, Shopify continues to grow its fulfillment network, expand its sales and marketing channels, and establish a greater global presence. Even at such expensive prices, Shopify stock is likely to continue delivering substantial shareholder returns for a long time.

Foolish takeaway

Several of the top stocks trading on the TSX have delivered impressive shareholder returns throughout 2021, despite the challenges presented by the ongoing global health crisis. Most publicly traded companies seem to have realized their [growth potential](#) or come close to it. However, there still are some of the top names that seem like they have a lot more room to run to greater heights.

Adding shares of Loblaw stock and Shopify stock to your portfolio could help you realize even greater returns at the share prices for both companies today.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:L (Loblaw Companies Limited)
3. TSX:SHOP (Shopify Inc.)

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