



3 Top Growth Stocks I Plan on Buying Next

Description

As a growth investor, I intend on only buying stocks with the potential to multiply my investment at least five times over the next decade. Of course, it's difficult to predict which companies will be able to do that. But by diving deep into different companies, you can gauge things like addressable market, industry momentum, management teams, and more. All these factors come into play when looking for top growth stocks. Here are three companies I plan on buying next.

Take advantage of a growing e-commerce industry

Of all the industries in the world, there's none that has a clearer path for growth than the e-commerce industry. It's been very evident over the past few years that consumers are relying on online shopping more and more. Due to the pandemic, e-commerce penetration has skyrocketed. In Canada, the industry represented about 4% of all retail sales in 2019. However, by mid-2020, e-commerce accounted for over 12%! As the industry continues to grow, **Nuvei** ([TSX:NVEI](#)) should benefit.

Although it isn't an e-commerce company per se, Nuvei does have a lot of exposure to the industry through its online payment offering. Nuvei provides merchants with an omnichannel payment platform, which allows businesses to accept payments in many ways. In addition to its online payment solutions, merchants can transact mobile, in-store, and unattended payments. Since its Initial Public Offering (IPO) last September, Nuvei has gained about 280%. With a market cap of just \$25.5 billion, the company still has [tons of room for growth](#) ahead.

My favourite small-cap company isn't currently in my portfolio

If I had an infinite amount of capital, **Topicus.com** ([TSXV:TOI](#)) would already be in my portfolio. Although, if I had an infinite amount of capital, one could argue you wouldn't need to invest (but that's neither here nor there). Topicus is a stock that I've been watching since its IPO because of its close ties to **Constellation Software**. The latter once held Topicus as a subsidiary prior to its spinoff in February. Since then, Topicus stock has gained 124%.

Much like its former parent company, Topicus aims to acquire vertical market software companies. Using the Constellation Software formula, Topicus set out to become a similar tech giant in Europe. Thus far, it seems as though the company has seen a lot of success. Topicus is still only valued at a market cap of \$5.6 billion. If the company can reach the same size as Constellation Software, investors will see tremendous returns.

There's a new insurance company in town

One company that I've seldomly covered on Fool.ca is **Trisura** ([TSX:TSU](#)). I briefly glanced at this company last year and really wish I had seen what many institutional investors have seen since. Over the past year, Trisura stock has gained 119%. In fact, the company's performance has been so impressive over the past three years that it managed to land the third spot in [this year's edition](#) of the TSX30. With a three-year gain of 523%, Trisura claims the third greatest performance on the **TSX** over that period.

For those who are unfamiliar, Trisura is a specialty insurance company. Much like Topicus, in 2017, it was spun out of a well-known Canadian company: **Brookfield Asset Management**. Although it now operates as its own entity, Brookfield still holds a large ownership stake in the company. With a story very similar to Topicus, this could be an interesting stock to consider. With a market cap of \$1.8 billion, this stock could still grow a tremendous amount from here.

CATEGORY

1. Investing

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2. TSX:TSU (Trisura Group Ltd.)
3. TSXV:TOI (Topicus.Com Inc.)

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