3 Unstoppable Canadian Growth Stocks That Can Survive a Recession

Description

Having diversification when it comes to your investments is one of the most important guidelines to follow. This means buying companies from all the different industries, in addition to different types of stocks such as value, dividend, and growth stocks. All of these investments will play a significant role in your portfolio, but Canadian growth stocks are some of the most important.

And while growth stocks are crucial for your long-term success and can be some of the top performers in your portfolio during bull markets, they also typically have more volatility during market pullbacks and can struggle during a recession. So it's crucial that the majority of your Canadian growth stocks will still be resilient and able to survive adverse economic conditions.

So with that in mind, here are three of the top Canadian growth stocks that are highly recession-proof and some of the best businesses to buy and hold for years.

A top retail stock

One of the most incredible Canadian growth stocks over the last 15 years and a stock that continues to offer tonnes of potential for investors going forward is **Dollarama** (TSX:DOL).

Dollarama has seen its business explode in popularity over the last decade. Consumers love shopping at Dollarama and saving money on essential goods, which basically allows them to boost their discretionary income. This has been a growing trend for years, and Dollarama has taken full advantage.

The company has rapidly expanded its number of stores, increased its pricing, and optimized its merchandising to ensure more spending from each customer during store visits. That's not all, though. The company has also invested a tonne into its e-commerce platform and has also expanded outside of Canada, buying Dollarcity, a Latin American dollar store chain.

So not only is Dollarama an excellent stock that continues to have tonnes of opportunities for growth going forward. But it's also a stock that's not only resilient in a recession but could see a boost. Asmore Canadians become cash strapped, saving money at stores like Dollarama becomes ideal.

So if you're looking for a top Canadian growth stock you can be confident owning for years, Dollarama is one of the best there is.

A top global growth stock

In addition to Dollarama, another high defensive company that's also been an impressive Canadian growth stock in recent years is **Alimentation Couche-Tard** (ATD.B).

Alimentation Couche-Tard owns convenience stores and gas stations all over the world. In fact, the company owns more than 14,000 locations total. Gas stations and convenience stores are widely known to be highly defensive industries. Only the unprecedented nature of shutdowns due to the pandemic and consumers staying home for months on end could really impact the stock.

With all that behind us, though, Couche-Tard is focused on getting back on track to its growth strategy. The Canadian growth stock has been one of the best at growing by acquisition in recent years. And while that's a strategy that's never off the table, the company is currently focusing more on organic growth.

So if you want a high-quality Canadian growth stock to add to your portfolio, Couche-Tard is one of the most resilient companies to consider.

A top real estate growth stock

Last but not least, we have **Canadian Apartment Properties REIT** (TSX:CAR.UN). CAPREIT is the largest and most liquid residential REIT in Canada. The fact that it's a residential real estate stock gives it a tonne of resiliency, considering the industry is highly defensive. We all need somewhere to live.

However, CAPREIT is also an excellent growth stock, making it an ideal fund for Canadian investors to own over the long run. CAPREIT has been expanding its portfolio for years, rapidly growing the value of its units for investors. In addition, it also invests in renovating and upgrading its portfolio assets. This not only increases the value of the units but also allows CAPREIT to charge higher rents, which ultimately leads to revenue growth.

This is setting the massive Canadian growth stock up for more stable long-term growth over the coming years. So if you're looking for a growth stock but you're worried about a potential recession, CAPREIT is one of the best investments you can make today.

CATEGORY

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2. TSX:DOL (Dollarama Inc.)

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