



3 Growth Stocks Millennial Investors Should Buy Today

Description

Compared to older investors, millennials should allocate a larger proportion of their investment portfolios towards [growth stocks](#). The main reason for this strategy being that millennials still have the luxury of taking advantage of a long investment horizon. As a result, they're able to take on riskier investments and allow growth stories to develop. Because millennials tend to be very familiar with online retail, they should focus on the e-commerce industry. Here are three growth stocks that millennial investors should buy today.

This should be a cornerstone of your portfolio

When it comes to online commerce, one company stands out among all others. That is **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)). The company provides merchants of all sizes with a platform and all the tools necessary to operate online stores. Over the past few years, Shopify has steadily grown from a small tech startup in Ottawa to one of the largest enablers of e-commerce in the world. In fact, in Q2 2021, Shopify surpassed **Amazon** [for the first time](#) in quarterly traffic.

Shopify stock's meteoric rise since its 2015 IPO has caused some investors to think that its best days of growth are behind it. Since its IPO, Shopify stock has gained an average of 88% per year. Valued at a market cap of \$239 billion, it's highly unlikely that Shopify will be able to produce similar gains in the coming years. However, the company is still growing at an impressive rate. In its Q3 earnings presentation, Shopify reported a 46% year-over-year increase in quarterly revenue. Shopify could be Canada's first \$1 trillion company.

There's a good chance you used these services over the past year

Another area to consider investing in is online groceries. Over the course of the pandemic, many consumers opted to purchase groceries online. This made it possible for consumers to obtain the food they need without putting themselves at risk of getting ill. One of the largest online grocery and meal kit

providers in Canada is **Goodfood Market** ([TSX:FOOD](#)). It's estimated that Goodfood holds a 40-45% market share of the Canadian meal kit industry.

Goodfood has managed to grow at an incredible pace over the past few years. In 2017, the company reported \$20 million in total revenues. As of its Q3 earnings presentation, Goodfood reported \$384 million in total revenue over the past 12 months. That growth has been reflected in its stock price. Since the start of 2017, Goodfood stock has gained more than 500%. Valued at a market cap of just over \$500 million, Goodfood has a lot of room to grow.

Companies that provide payment solutions have a lot of growth ahead

With all of the excitement towards the e-commerce industry, it's important to understand how much happens behind the scenes. For example, online retailers often need the services provided by payment processors in order to complete transactions. In Canada, **Nuvei** ([TSX:NVEI](#))([NASDAQ:NVEI](#)) is perhaps the most promising company in that industry. Because payment processors make money by charging a fee on every transaction, Nuvei's revenue appears very stable, as long as e-commerce continues to grow as everyone expects it to.

As of this writing, Nuvei is present in more than 200 global markets. Its platform accepts 480 payment methods, 40 cryptocurrencies, and 150 currencies. Nuvei has massive exposure to many industries, including e-commerce and online gaming. Both of these industries are expected to grow at rapid rates over the next few years. If Nuvei can continue growing its market share, then its \$19 billion market cap could look very small in a few years' time.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:NVEI (Nuvei Corporation)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:FOOD (Goodfood Market)
4. TSX:NVEI (Nuvei Corporation)
5. TSX:SHOP (Shopify Inc.)

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