



Forget Dogecoin: Buy These 3 Top Growth Stocks

Description

The [Dogecoin price is down](#) for now — just like other cryptocurrency, including Bitcoin and Ethereum. Perhaps it would be smart to wait a bit for the selloff to settle down before looking at them again. Let's forget about Dogecoin and the other digital currencies for a moment and consider putting new money in these top growth stocks instead.

This depressed Canadian growth stock could surge as soon as next week

Goodfood Market ([TSX:FOOD](#)) was just recognized as a top 30 stock on the **TSX** in September. Specifically, it was included in the TSX30 list for being a top 30 stock on the exchange over three years based on price appreciation. The growth stock was about \$10 then — up roughly 260% over three years, or an annualized return of 53.2% per year.

Today, the stock sits at more than 30% below its September levels at \$6.82 per share. Earlier this week, Goodfood launched free one-hour (or less) deliveries for 18 neighbourhoods in Toronto and Montreal. It has yet to be seen if it will boost its revenues meaningfully higher.

The leading online grocery company will be reporting its fiscal Q4 and 2021 results next Wednesday before the market opens. If its results and outlook are good, the stock could surge. Nine analysts cover the stock, and they have a consensus 12-month price target that's 74% higher! Investors will be looking for growth from its revenue and subscriber base.

A surer stock for long-term growth

If you're not sure about Goodfood. You can consider **Restaurant Brands International** ([TSX:QSR](#))([NYSE:QSR](#)) instead. It is an economic reopening play that has room to grow its three restaurant brands globally by increasing its restaurant count. The dividend stock pays a safe 3.7% yield while you wait for double-digit growth from the stock. It is a Canadian Dividend Aristocrat that has been

increasing its dividend every year since 2016.

The growth stock has a low-risk business model. It is a capital-light business that generates substantial cash flow. In the trailing 12 months, it generated US\$1.45 billion of free cash flow, which was enough to pay for its investments and dividends with US\$364 million leftover.

The stock's correction of more than 15% seems like a good place to start buying shares. 20 analysts have a mean 12-month price target that suggests near-term upside potential of more than 35%.

A defensive dividend stock

Other than Restaurant Brands, **Canadian Tire** ([TSX:CTC.A](#)) is another iconic brand you can trust. The retailer has stayed strong through the shift to e-commerce and the pandemic. Over the last 15 years, it increased its dividend at a compound annual growth rate of 14.8%.

A couple of days ago, it just raised its quarterly dividend by 10.6%, while its five-year dividend-growth rate is 14.9%. So, it's reasonable to expect 10-15% growth rate for the retailer that has successfully adapted to using a hybrid of brick-and-mortar and e-commerce retail. The stock is good for a yield of almost 2.6%.

Importantly, the business was resilient through gloomy economic times. Its GAAP earnings per share (EPS) declined 10% and 11% in 2008 and 2009 during the global financial crisis but shoot past the 2007 levels by 2010. During the pandemic in 2020, its GAAP EPS only declined by 2%. So, the ridiculous selloff of more than 40% last year was based on fear of the impact of the pandemic on the retailer, which turned out to be minuscule.

The Foolish investor takeaway

The returns in Dogecoin and other cryptocurrencies could be difficult to grasp. Investing in quality stocks can provide surer returns. Therefore, it would be smart for investors to allocate some money in [growth stocks](#) like Goodfood, Restaurant Brands, and Canadian Tire for more certain upside. The group could easily beat the market in the near and long term!

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2. TSX:CTC.A (Canadian Tire Corporation, Limited)
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