



3 Top Canadian Growth Stocks That Could Keep Running Into 2022

Description

Investors who have simply stuck with a well-diversified portfolio of [growth](#) stocks over the past decade have vastly outperformed the broader market. There are many reasons for this. Low interest rates, accommodative monetary and fiscal policy, and a slow-growth environment elsewhere have contributed to this thesis.

Of course, given where valuations are, investors need to be careful. However, some high-quality growth stocks still look attractive.

Here are three of my top picks in this regard right now.

Top growth stocks: Shopify

Among the top growth stocks in the world, **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) is a company long-term investors ought to consider. Shopify's direct exposure to the growth potential of the e-commerce sector is staggering.

This company provides a range of software solutions to enable small- and medium-sized businesses to access the e-commerce space. Via offering an integrated digital store option for SMBs, Shopify has helped thousands of customers stay afloat during the pandemic.

Accordingly, this company's growth trajectory has been off the charts. As per Shopify's recent earnings results, year-over-year growth of 46% highlights the continued need Shopify satisfies. This is a company with a subscription-based business model that appears rock solid right now. Accordingly, growth investors have many reasons to stick with this high-quality Canadian growth stock right now.

Constellation Software

Long-term investors in **Constellation Software** ([TSX:CSU](#)) know the value owning a top-notch growth stock can have in terms of compounding. Over the past 10 years, Constellation has been among the [best-performing](#)

stocks in Canada.

A consolidator of software companies around the world, Constellation has been able to grow exceedingly fast (and profitably) via acquisitions. This company's products serve over 125,000 customers in more than 100 countries. Accordingly, Constellation is the company behind the scenes, making the software space tick.

What Constellation does better than most consolidators is increasing the returns of its acquired companies. Over time, this has been extremely lucrative for investors. And I don't see this changing anytime soon. Constellation has a robust pipeline of companies to pick from.

Accordingly, this stock remains one of the top growth stocks investors should consider right now.

Open Text

Another top growth stock option in the software space is **Open Text** ([TSX:OTEX](#))([NASDAQ:OTEX](#)).

This company focuses on providing cloud-based information solutions to big companies. The company boasts of a massive installed base of over 100 million users covering 10,000 companies globally. Approximately 90% of Open Text's revenues are recurring. And many of these revenue streams are diversified.

Accordingly, investors in OTEX stock have high sales visibility along with lower concentration risk with a company like Open Text. The fact that more than 90% of the company's revenues take place outside Canada also diversify investors geographically.

This business model has supported strong earnings of late, with Open Text reporting revenue growth of 22% year over year. Right now, this is a stock near the top of my list of growth stocks to buy on any dips moving forward.

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3. TSX:CSU (Constellation Software Inc.)
4. TSX:OTEX (Open Text Corporation)
5. TSX:SHOP (Shopify Inc.)

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