Don’t Own These 3 Canadian Stocks? You’re Missing Out!

Description

Sometimes, it hurts to look at the chart of a stock you never bought. Your own investments can be doing well, but if one you missed rises more than them, you can feel like you’re missing out. At times, it can feel like you’re actually losing money just by not having bought the stock!

Adding to this bitter feeling is the sense that if a stock rose a lot in the past, its best days might be behind it. Sure, there are stocks that rise consistently for decades, but once a stock gets to a trillion-dollar market cap, the odds of continued 1,000% gains are pretty low.

But never fear. While stocks that have risen in the past may fall in the future, there is just as good a chance that they will continue to rise. In many cases, Yesterday’s winners remain tomorrow’s winners. With that in mind, here are three TSX stocks you may feel you have “missed” but, in fact, still have a lot of potential.

Shopify

Shopify (TSX:SHOP)(NYSE:SHOP) has been the best-performing TSX tech stock of the past six years. Up 5,000% since its 2015 IPO, it has made many investors wealthy. If you’d invested $10,000 in SHOP’s IPO and held to today, you’d have a position worth about $510,000. That’s an impressive return — so much so that you might think SHOP’s best days are behind it.

Obviously, a stock can’t keep up 5,000% six-year growth forever. At that rate, and starting from a $200 billion market cap, a company would own the world in a few decades. But that doesn’t mean SHOP can’t still outperform. These days, big tech stocks have market caps up to $2.5 trillion. SHOP is at $227 billion, or US$177 billion, right now. To get to its U.S. tech rivals’ level, SHOP would need to rise another 1,000%. And some think that is quite possible — the company did grow at 46% in its most recent quarter, after all. At that growth rate, it would get to a $1 trillion market cap in under a decade.

TD Bank

Toronto-Dominion Bank (TSX:TD)(NYSE:TD) is another Canadian stock that has had a great run. At the very bottom of the 2008 market crash, its stock was worth $15. Today, it goes for about $95. That's a 530% return in just over a decade.

You might think a stock that has run that hot can't keep it up forever. But think again. TD Bank is set to benefit from several macroeconomic trends that are just taking shape. We've got both the Bank of Canada and the Federal Reserve contemplating rate hikes. Canadians are getting back to work, and the economy is stabilizing following the COVID-19 pandemic. All of this together points to more loans financed at higher interest rates. TD would benefit from that immensely.

Cargojet

Cargojet (TSX:CJT) is another TSX stock like Shopify that has produced absolutely outrageous returns. Since 2012, it has risen a whopping 1,793%. That's not quite as hot a run as Shopify's, but it's impressive in its own right.

Cargojet is another stock like SHOP that profits off of rising e-commerce sales. It ships small overnight deliveries, which, in practice, means a lot of e-commerce deliveries. It was one of the few airlines that saw its revenue grow in 2020 rather than shrink, because COVID-19 retail closures led to a surge in online sales. If lockdowns return to Canada once more, then CJT will be a big beneficiary of the next shift to online buying.

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2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:CJT (Cargojet Inc.)
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5. TSX:TD (The Toronto-Dominion Bank)

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