Got Idle Cash? Buy These 4 High-Growth Stocks Now

Description

If you've got some idle cash and don't require it for any emergency, consider investing in TSX stocks that are growing their businesses fast. Let's dive into four such Canadian companies that are expanding rapidly and will likely deliver solid returns in the coming years.

goeasy

goeasy (TSX:GSY) has consistently grown its financials at a double-digit rate. To be precise, revenues of this subprime lender have grown at a CAGR of about 13% in the last 20 years. Higher revenues and operating leverage have driven its adjusted earnings by a CAGR of 25% during the same period.

Thanks to its solid financial performance, goeasy stock has multiplied investors' wealth and outpaced the benchmark index by a wide margin. Furthermore, it has consistently paid dividends and raised the same at a CAGR of 34% in the past seven years.

My bullish outlook on goeasy is based on its ability to drive higher loan volumes and launch new products. Furthermore, channel and geographic expansion, solid credit performance, increased penetration of secured loans, and operating efficiency could continue to cushion its earnings.

Payfare

Financial technology company **Payfare** (TSX:PAY) offers gig workers payout and digital banking solutions. Payfare is growing fast, as reflected through its solid user base. During the last reported quarter, Payfare announced that its active user base increased 37% on a quarter-over-quarter basis. Moreover, it increased by 679% year over year.

Looking ahead, economic reopening and increased demand for food delivery and rideshare will likely drive its active user base. Moreover, its partnership with large gig platforms like **Uber** and DoorDash augur well for future growth.

Overall, its scalable platform, growing revenue and user base, lower customer acquisition cost, expansion in high-growth verticals, and cost optimization provide a long runway for growth.

Dye & Durham

Cloud-based software and tech solutions provider **Dye & Durham** (TSX:DND) has been growing rapidly on the back of its acquisitions. Further, its large and diversified blue-chip customer base, high retention rate, and long-term contracts support organic growth.

Notably, Dye & Durham has more than 50K active customers with a low customer churn rate. Also, Dye & Durham benefits from long-term contracts with top clients. Looking ahead, higher revenue realizations from acquisitions will likely drive its top line and adjusted EBITDA.

Overall, its strong active customer base, continued demand, and accretive acquisitions position it well to deliver solid financials and, in turn, strong returns.

Docebo

Corporate e-learning solutions provider **Docebo** (TSX:DCBO)(NASDAQ:DCBO) is another Canadian company that is growing rapidly and could be a solid addition to your long-term portfolio. Its recurring revenues, customer base, and contract value is growing fast, providing a solid foundation for future growth.

Docebo has more than 2,600 customers, with an increase in the number of customers opting for multi-year contracts. It's worth noting that its recurring revenues are growing at a CAGR of 65%. Meanwhile, its average contract value has tripled in the last five years.

The continued strength in its core business, growing addressable market, high net dollar retention rate, strategic acquisition, and improving marketing productivity will likely drive its growth.

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3. TSX:DND (Dye & Durham Limited)
4. TSX:GSY (goeasy Ltd.)
5. TSX:PAY (Payfare Inc.)

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