



If I Could Only Invest in 2 Growth Stocks, These Would Be My Choices

Description

I'm a big fan of growth stocks. Not only do they provide an excellent opportunity to see massive gains, but following growth stocks tends to be exciting. Because those companies need to continue growing at a fast rate, they tend to have innovation as a core quality. This makes it easy to continue following company news. In this article, I'll discuss which growth stocks I would invest in if I could only choose two.

My top growth stock for 2022

If I could only choose one growth stock, the choice is easy. [I would pick Shopify \(TSX:SHOP\)\(NYSE:SHOP\)](#). This company offers merchants with a platform and all the tools necessary to operate online stores. By offering subscriptions at different price points, Shopify makes itself a reasonable option regardless of how big a merchant is. In fact, many first-time entrepreneurs choose to use Shopify because of the value obtained and the platform's ease of use.

What's interesting is Shopify has been able to attract many enterprises to its platform as well. If not as a customer, like **Netflix**, then it attracts enterprises to act as partners. Thus far, Shopify has managed to establish partnerships with companies such as **Amazon**, **Meta Platforms**, **Walmart**, **Spotify**, and many more. With each new enterprise partnership, Shopify is able to increase its exposure to the rapidly growing e-commerce industry.

In fact, Shopify's share of the industry has grown so much that its stores now receive more traffic than Amazon's marketplace. In Q2 2021, Shopify recorded an average of 1.16 billion monthly unique users. This compares to 1.10 billion monthly unique users on Amazon.

Since its IPO, Shopify stock has gained more than 5,100%. This year, the stock has exhibited much slower growth, by Shopify's standards, only gaining about 31%. Because of the continued uncertainty surrounding interest rates and the Omicron variant, it's unclear how the next year will play out. However, with the continued penetration of the e-commerce industry around the world, I remain confident that Shopify could be Canada's first \$1 trillion company at some point down the road.

A stock on my watchlist

Constellation Software ([TSX:CSU](#)) is a stock that I've liked for a really long time. Yet I have no good reason why it remains on my watchlist and not in my portfolio. If I were forced to sell my entire portfolio and go with two stocks for the rest of my life, I could see myself turning to this stock market powerhouse.

Since its IPO, Constellation Software stock has gained an astonishing 12,859%! That represents a CAGR of nearly 37%! In fact, had you invested \$10,000 at its IPO, you would be a millionaire if you retained ownership of those shares until today.

Unlike Shopify, Constellation Software's business isn't very exciting. In fact, shareholders don't really get much information regarding the company's actions these days. In 2017, Constellation's president, Mark Leonard, announced that he would be ceasing his annual shareholder letters in an attempt to dissuade copycat competitors. What we do know is that Constellation Software has developed a formula to find optimal VMS businesses and help develop them into great companies.

Constellation Software has proven to be very successful over the past decade and a half. I see no reason why the company can't continue its performance in the coming years. In February, Constellation also announced that it would begin [targeting large VMS businesses](#), which could be an excellent catalyst for this stock in the coming years.

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