



The 3 Best TSX Growth Stocks for 2022 and Beyond

Description

The addition of growth stocks to your portfolio can amplify your returns over time and help generate a significant amount of wealth. So, if you plan to add a few to your portfolio in 2022, consider buying these three stocks.

Docebo

Speaking of growth stocks, let's start with **Docebo** ([TSX:DCBO](#))([NASDAQ:DCBO](#)). Its customer base, contract value, and recurring revenues are growing fast, which augurs well for growth. In response to its recent quarterly performance, Docebo's CEO Claudio Erba stated that its ARR (annual recurring revenue) growth rate once again exceeded 60%. Further, the growth remained balanced across industry verticals.

To give a little background, Docebo's recurring revenues increased 66% in Q3. Moreover, it has a CAGR of 65% since 2016. Notably, the ongoing momentum in its recurring revenues led to solid growth in average contract value. Its average contract value has grown over three times since 2016. Further, Docebo ended Q3 with 2,636 customers compared to 2,025 customers during the prior-year period.

Looking ahead, its strong ARR, increasing deal size, customer growth, high retention rate, strategic acquisitions, and a large addressable market will likely [drive its financials](#) and, in turn, its stock price. Moreover, marketing productivity and operating leverage will likely cushion its margins.

goeasy

goeasy ([TSX:GSY](#)) has been rapidly growing its business. It's worth noting that goeasy's revenue and adjusted net income have continuously increased at a rapid pace and have a CAGR of 12.8% and 31%, respectively, since 2001. Thanks to its stellar financials, goeasy stock has appreciated quite a lot and delivered multi-fold returns over the past decade.

Looking ahead, I am [bullish on goeasy](#) stock and expect it to rise further due to the ongoing momentum in its core business. Over the next three years, its revenues are projected to increase at a double-digit rate. Higher loan volumes and increased ticket size, product expansion, strategic acquisitions, and omnichannel offerings will likely support its sales growth. Moreover, strong payments volumes and operating leverage could lead to solid growth in its earnings.

goeasy's strong balance sheet and cash flows could continue to fund its growth initiatives. Moreover, it could continue to boost its shareholders' returns through higher dividend payments. goeasy's dividends are growing rapidly (CAGR of 34% in the last seven years), and I expect the trend to sustain in 2022 and beyond. Overall, strength in its base business, economic expansion, POS (point-of-sale) channel growth, and diversified credit portfolio augur well for growth.

Shopify

With its consistent performance and market share gains, **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) is another top growth stock worth investing in for 2022 and beyond. Shopify stock has made its investors rich and has outperformed the broader markets since listing in the exchange. While the economic reopening could lead to a moderation in its growth rate, I am upbeat about the growing adoption of its payments solutions.

Furthermore, Shopify could continue to benefit from the ongoing shift towards digital. Moreover, Shopify remains well positioned to capitalize on e-commerce's growing share in overall retail sales.

Shopify continues to add newer merchants to its platform. Moreover, new product launches, geographic expansion, investments in fulfillment network, and partnerships with social media companies for marketing and sales will likely support its growth. Furthermore, its large addressable market, strong sales, and operating leverage augur well for growth.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:DCBO (Docebo Inc.)
4. TSX:GSY (goeasy Ltd.)
5. TSX:SHOP (Shopify Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise

7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. kduncombe
2. snahata

Category

1. Investing

Date

2025/08/26

Date Created

2021/12/30

Author

snahata

default watermark

default watermark