



## 2 Unstoppable Growth Stocks That Could Turn \$5,000 Into \$10,000 by End of 2022

### Description

The equity markets entered bear market territory in March 2020 but then rebounded impressively to end 2021 at all-time highs. Actually, the S&P 500 Index touched a new high 70 times in 2021 — a figure last seen in 1995.

However, quantitative easing measures and supply chain disruptions resulted in higher inflation rates. In order to offset higher costs and reduce money supply, the Federal Reserve might increase interest rates four times in 2022, making it expensive for companies to raise debt capital and fund their expansion plans.

We can see why investors have rotated out of [growth stocks](#) in the last three months. Shares of high-growth companies such as **Roku** ([NASDAQ:ROKU](#)) and **4Front Ventures** ([CNSX:FFNT](#)) are now trading 67% and 64%, respectively, below all-time highs. However, the pullback creates a buying opportunity for long-term investors.

### Roku

Despite the decline in stock prices, Roku has returned 567% to investors since its IPO in late 2017. Roku stock is currently trading at [a market cap](#) of US\$22.33 billion and is forecast to report sales of US\$3.77 billion in 2022, compared to US\$1.78 billion in 2020. Its adjusted earnings are also expected to rise to US\$1.65 per share in 2022 compared to a loss of US\$0.14 per share in 2020.

So, Roku is valued at six times 2022 sales and 94 times 2022 earnings, which might seem expensive. But investors should also understand it's impossible to time the market, and every price dip should be viewed as a chance to scoop up shares trading at a cheaper valuation.

In Q3 of 2021, Roku's average revenue per user surpassed the US\$40 milestone on a trailing 12-month basis and was up 50% year over year. Roku is well poised to benefit from the accelerated shift towards streaming, which will drive platform monetization in the upcoming quarters.

Roku's content distribution and advertising activities allowed Platform sales to grow by 82% year over year to US\$583 million in Q3. The company is now looking to create proprietary content and improve customer engagement rates on the platform.

Analysts tracking Roku have a 12-month average price target of US\$330 on the stock, which is 55% higher than the current trading price.

## 4Front ventures

A U.S.-based cannabis company 4Front Ventures is valued at a market cap of \$517 million. Comparatively, its sales are forecast to touch US\$279 million in 2022, up from US\$57.6 million in 2020. Wall Street also expects earnings to improve to US\$0.08 per share in 2022 compared to a loss of US\$0.08 per share in 2020.

FFNT stock is valued at a price-to-2022 sales multiple of less than two and price-to-earnings ratio of just eight, making it a top pick for value and growth investors.

The cannabis producer continues to benefit from its low-cost, scalable operations enabling the company to improve profit margins at a steady pace.

4Front is one of the cheapest cannabis stocks that is profitable and growing at an enviable pace. Analysts tracking FFNT stock have a 12-month average price target of \$2.20, which is 150% above its current trading price.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. CNSX:FFNT (4Front Ventures Corp.)
2. NASDAQ:ROKU (Roku)

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