



TFSA Investors: Where to Invest \$6,000 Right Now?

Description

The contribution limit for the TFSA ([Tax-Free Savings Account](#)) in 2022 stands at \$6,000. The TFSA is a registered account where withdrawals are exempt from Canada Revenue Agency taxes. So, it makes sense to leverage the benefits of the account and hold quality [growth stocks](#) in your TFSA.

Here, we'll look at three stocks you can buy with \$6,000 right now.

Shopify

The first growth stock on my list is **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)), which has already returned 3,480% to investors since its IPO. The company is forecast to report sales of US\$5.8 billion, and it estimates the total addressable market at US\$153 billion, giving Shopify enough room to grow its top line going forward.

Shopify sales soared by 86% year over year in 2020, as the pandemic forced small and medium businesses to establish an online presence. While revenue growth will decelerate in 2021, sales were up 46% year over year in Q3 of 2021.

In the last five years, Shopify's [monthly recurring revenue](#) has risen by 43% year over year to US\$98.8 million in Q3. The expansion of its merchant base has also allowed Shopify to end the September quarter with a gross merchandise volume of US\$41.8 billion — an increase of 35% year over year.

Despite its stellar gains, SHOP stock is down 48% from all-time highs. It's also trading at a discount of 137% compared to analyst price target estimates.

Cresco Labs

A cannabis heavyweight, **Cresco Labs** ([CNSX:CL](#)) has the potential to generate market-beating gains to investors in the upcoming decade. For one, cannabis research company BDSA forecasts the global marijuana market to grow at an annual rate of 22% to US\$47 billion by 2025.

Comparatively, Cresco Labs is expected to increase sales from US\$476 million in 2020 to US\$1.45 billion in 2022. Its bottom line is also slated to improve from a loss per share of US\$0.24 in 2020 to earnings of US\$0.3 in 2022.

In Q3 of 2021, Cresco reported adjusted EBITDA of US\$215.5 million, which was up 26% compared to the year-ago period. Comparatively, it reported sales of US\$153.3 million in Q3 of 2020.

Similar to other marijuana producers, Cresco Labs has deployed an aggressive acquisition strategy that will be highly accretive to its top line. It is already one of the largest vertically integrated multi-state operators in the U.S. with 45 dispensaries in 10 states.

Kinross Gold

Kinross Gold ([TSX:K](#))([NYSE:KGC](#)) is engaged in the acquisition, exploration, and development of gold properties. Valued at a market cap of \$8.7 billion, Kinross Gold also offers investors a tasty dividend yield of 2.23%.

In Q3 of 2021, the company produced 483,000 ounces and shipped 478,000 ounces of gold. The cost of sales stood at US\$870 per ounce, while all-in sustaining costs, or AISC, were US\$1,225 per ounce. The increase in AISC was attributed to higher cost of sales and related inflationary pressures. However, operating margins were robust at 51% due to strong gold prices.

Kinross ended Q3 with a cash balance of US\$586 million and generated a free cash flow of US\$39 million. It remains a top value buy at current prices given the stock is trading at a forward price-to-2022-earnings multiple of just 6.7.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. CNSX:CL (Cresco Labs Inc.)
2. NYSE:KGC (Kinross Gold Corporation)
3. NYSE:SHOP (Shopify Inc.)
4. TSX:K (Kinross Gold Corporation)
5. TSX:SHOP (Shopify Inc.)

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