Are You in Your 20s? 3 Stocks to Retire as a Millionaire

Description

The sooner you start investing, the better if you want to retire as a millionaire. For instance, a regular monthly investment of $500, even at a modest return of 10%, could fetch you more than a million over time.

So, if you are in your 20s, consider investing regularly in equities to capitalize on the power of compounding. Further, the recent correction in the stock market provides a solid opportunity for investing. Let's look at three fundamentally strong Canadian companies that could deliver above-average returns in the long term.

Docebo

The first stock on this list is **Docebo** (TSX:DCBO)(NASDAQ:DCBO). This corporate e-learning platform provider is growing rapidly, yet its stock is down over 53% in six months. Moreover, it's fallen about 42% year to date.

This pullback in Docebo stock creates a solid investment opportunity for long-term investors. It's worth noting that Docebo's organic sales are growing fast. Docebo's subscription revenues increased by 64% during the most recent quarter. Meanwhile, its annual recurring revenues marked a growth of 59%.

The ongoing strength in its base business and opportunistic acquisitions will likely support its revenues in the coming years. Meanwhile, a larger deal size, growing customer base, high retention rate, and product expansion bode well for growth.

Overall, its low valuation and solid growth prospects make Docebo an attractive investment to generate above-average returns in the long run.

goeasy

goeasy (TSX:GSY) has outperformed the broader market averages over the past several years and has multiplied its shareholders' wealth. Shares of this financial services company have witnessed a pullback and look reasonably priced at current levels.

It's worth noting that goeasy's earnings have consistently increased at a solid double-digit rate over the past two decades. Further, goeasy has boosted its shareholders' returns by growing its dividend at a CAGR of 34.5% over the past eight years due to its high-quality earnings base.

Looking ahead, higher loan volumes, an increase in loan ticket size, product expansion, omnichannel offerings, and strategic acquisitions will likely drive its revenues at a double-digit rate. Meanwhile, leverage from higher revenues, strong payments volumes, and improving efficiency could continue to drive its earnings at a breakneck pace. Also, goeasy could continue to increase its dividends at a solid pace and enhance the overall returns of its shareholders.

Lightspeed

Shares of **Lightspeed** (TSX:LSPD)(NYSE:LSPD) have declined quite a lot. It's fallen over 83% in six months. Meanwhile, it has lost over 50% of its value this year. This significant decline in its value has led to a steep compression in its valuation, making it an attractive long-term bet.

Notably, Lightspeed's NTM (next 12-month) EV/sales multiple is three, which is at an all-time low. Meanwhile, the company continues to grow rapidly on the back of continued strength in its organic sales and acquisitions.

The continued shift towards omnichannel selling platforms, expansion of its product suite, growing customer base, and growing payments penetration provide a multi-year growth opportunity. Further, its entry into high-growth markets and increased adoption of its multiple modules by customers bode well for growth.

CATEGORY

1. Investing
2. Stocks for Beginners

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1. Editor's Choice

TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. NYSE:LSPD (Lightspeed Commerce)
3. TSX:DCBO (Docebo Inc.)
4. TSX:GSY (goeasy Ltd.)
5. TSX:LSPD (Lightspeed Commerce)

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snahata