DIY Investors: The 3 Best Growth Stocks to Swell Your Wealth

Description

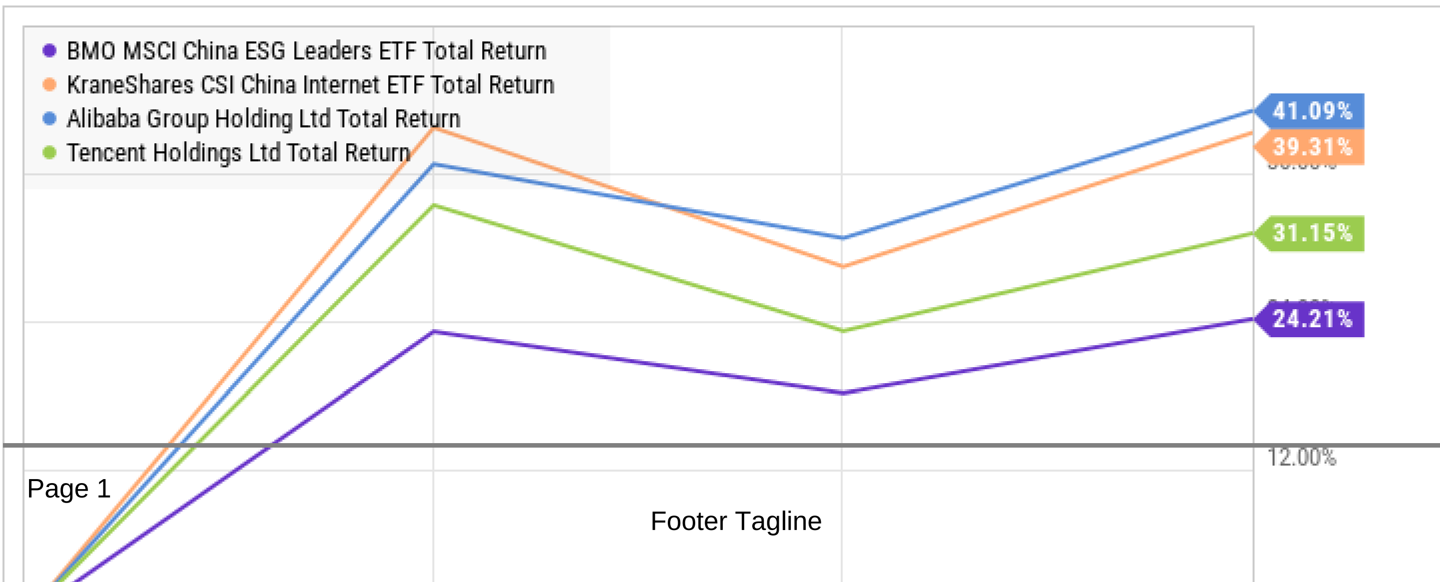
It's a great time for do-it-yourself investors to buy growth stocks. Bargains are everywhere, with tonnes of choices in Canada and across the world in China.

Chinese stocks or ETFs

Holy smokes! If you haven't been following the story, some of the hottest growth stocks are Chinese stocks. Because they have sold off so much in the last 14 months or so, when the clouds started to clear, the stocks jumped!

In the past three trading days, stocks in the geography are up 20-40%, depending on which specific area you look at. And get this: Chinese growth stocks are still dirt cheap. So, it could be just the start of a tremendous rally. Expect volatility, though, as there will definitely be short-term traders that will take profits along the way.

Here is the total return of two China ETFs and two of their top holdings, **Alibaba** and **Tencent**, in the past three days. **BMO China Equity Index ETF** has sector weighting of 48% consumer cyclical, 22% communication services, and about 5% each in healthcare, consumer defensive, and energy. This is a stark contrast to heavy weights in financial services and natural resources in a general Canadian market ETF. **KraneShares CSI China Internet ETF** provides exposure to Chinese internet stocks listed in the U.S. and Hong Kong.



ZCH, KWEB, BABA, and TCEHY Total Return Level data by YCharts

And here are their long-term total returns:

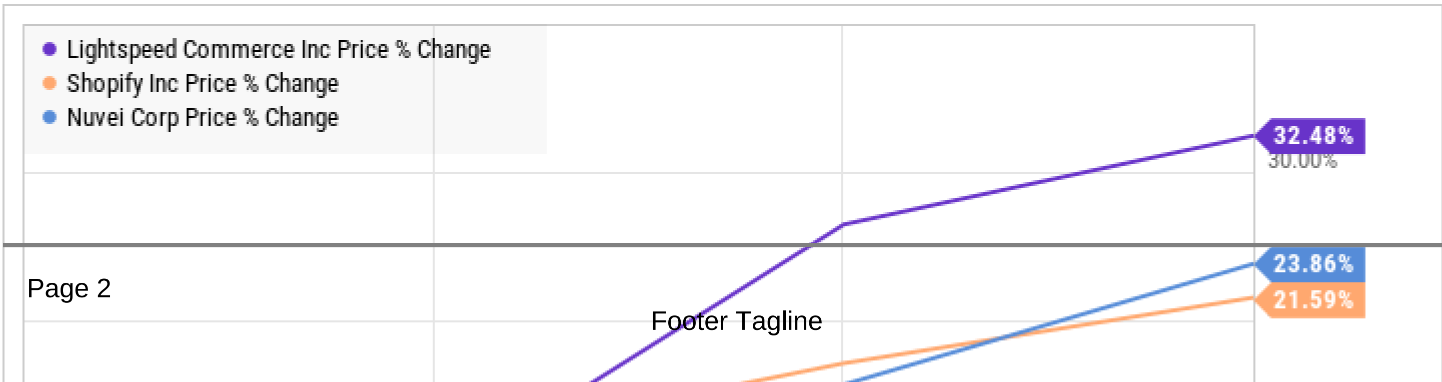
ZCH, KWEB, BABA, and TCEHY Total Return Level data by YCharts

A [Yahoo Finance](#) video explains the Chinese stock surge. Here's a snippet of the dialogue.

> "China's top financial body was saying it would ensure stability in capital markets, support overseas stock listings, resolve risks around property developers and this crackdown on big tech as soon as possible… The banking regulator said they were going to support insurance companies to increase investment in stock markets. They're going outright start buying stocks hand over fist and they should… because they're cheaper than ever."
> *China internet names surge after Beijing signals support, Yahoo Finance video*

Canadian tech stocks

Back home, our [tech stocks](#) have also experienced a similar rally in the past three days. **Lightspeed** stock, **Nuvei** stock, and **Shopify** stock are up about 32%, 24%, and 22%, respectively. Similar to the Chinese stocks, they have overshot to the downside in the last four to six months and have become too cheap to ignore. Analysts think current buyers can still double their money on Lightspeed and Shopify stocks and get double-digit returns on Nuvei stock.



LSPD data by YCharts

Other, safer Canadian growth stocks

If you want a less-volatile ride, you can invest in safer growth stocks that pay growing dividends. For example, **goeasy's** 15-year dividend-growth rate is about 17%. Its last dividend hike was approximately 38%. Its 15-year annualized total return is roughly 15%.

The sub-prime lender helps people who can't borrow from banks. Now that the growth stock has corrected and reverted to the mean, investors can expect returns of about 15-20% over the next five years. goeasy's current yield of 2.7% is decent, too.

CATEGORY

1. Investing
2. Tech Stocks

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. kayng
2. kduncombe

Category

1. Investing
2. Tech Stocks

Date
2025/09/10
Date Created
2022/03/21
Author
kayng