Got $3,000? 3 Top TSX Growth Stocks to Buy in March 2022

Description

After a slump due to rate-hike fears and geopolitical tensions, growth stocks again look pumped up to resume the rally. While the broad markets also look poised to grow, high volatility could still be there. Here are three TSX growth stocks that could outperform in the current scenario.

Major Drilling International

Once-ailing TSX stock **Major Drilling International** (TSX:MDI) has seen a solid recovery since last year. The Russia-Ukraine war fueled a commodity price rally that has mainly boosted its stock up in the last few weeks. As a result, the stock has been up 50% this year, notably beating the broader markets.

However, note that Major Drilling's financial performance has been on the rise. In the last 12 months, its net income surged to $33 million compared to a huge loss in the earlier period. As commodity prices tick higher, miners will likely increase their output, ultimately creating more business opportunities for drilling companies like MDI.

Major Drilling is a specialized drilling company that focuses on unconventional drilling. As mineral deposits in the easy access areas get exhausted, specialized drillers like Major Drilling could see gaining ground. In the short to medium term, MDI stock could continue to soar, as commodities trade strongly.

Birchcliff Energy

Another top TSX stock that has been on a roll this year is **Birchcliff Energy** (TSX:BIR). It has been up 15% this year and a massive 160% in the last 12 months. It is a natural gas producer that has seen a major up move, as gas prices have been rising.

Apart from the Russia-Ukraine tensions, natural gas prices have been rising on the colder weather and supply woes. Birchcliff management issued upbeat guidance early this year, which delighted its investors and fueled its stock.

Driven by superior free cash flow growth, Birchcliff is forecast to turn debt-free next year. The management expects potential cumulative free cash flows of $1.9 billion in the next five years. More importantly, its strong balance sheet could then be able to issue dividends and probably look for inorganic growth opportunities.

BIR stock looks undervalued despite the rally, trading close to seven times its earnings. Thus, Birchcliff stock looks well placed to play, mainly due to its potential financial growth and undervalued stock.

goeasy

Top consumer lender stock **goeasy** (TSX:GSY) has suffered enough as growth stocks tumbled in the last few months. The stock has corrected 20% this year and looks like bottoming out.

goeasy is a $2.2 billion non-prime lender with significant growth in the last decade. During this period, the stock has returned 3,250%, including dividends.

goeasy offers unsecured loans with above-average interest rates, mainly to those that have been rejected by traditional financial institutions.

Its revenues increased by 15% CAGR, while the net income has soared by a remarkable 25% CAGR in the last decade.

Interestingly, the recent correction has made it more attractive from a valuation standpoint. It is currently trading 10 times its earnings, which indicates a huge growth potential for the future.

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