3 Growth Stocks to Add to Your TFSA This Week

Description

Investors feel uneasy during inflationary periods, because stocks tend to be more volatile. Moreover, some would pick value stocks over growth stocks when inflation is high. However, there are exceptions in the current complex environment. TFSA investors in particular still have excellent prospects for tax-free money growth.

ARC Resources (TSX:ARX) and **Verde Agritech** (TSX:NPK) are the among the top performers today with massive growth potentials. Meanwhile, **WELL Health Technologies** (TSX:WELL) is likely to be the winning stock in healthcare sector in 2022.

Bolstered financial position

Despite the 1.41% slide on April 6, 2022, energy remains the top-performing sector year to date (+36.2%). Investors in Arc Resources are happy with the 47.48% gain, thus far, this year. Also, at $16.86 per share, the trailing one-year return is 120.15%. An additional perk is the 2.34% dividend after the 36% payout hike in Q4 2021.

The $11.87 billion pure-play Montney producer and dividend-paying energy company has several attributes and competitive advantages. Besides its investment-grade credit profile due to commodity and geographic diversity, ARC has low-cost operations.

ARC delivered a record-low operating expense in 2021. The free funds flow of $1.35 billion was the highest in the company's 25-year history. Also, it was a transformative year due to the synergies created with the purchase of Seven Generations Energy in April.

Apart from the bolstered financial position following completion of the business combination, ARC reduced net debt by 25%, or $0.6 billion. Net income was $786.6 million compared to the net loss of $547.2 million in 2021. This year, ARC has a capex budget of $1.15-$1.25 billion and expects to offset inflationary pressures through continued efficiency improvement initiatives.

Accelerated market expansion

Verde Agritech is a potential multi-bagger in 2022. Performance-wise, the agri-stock has rewarded investors with a 921.13% (116.64% CAGR) total return in the last 3.01 years. As of this writing, the year-to-date gain is 158.93%. The 12-month average price target of market analysts is $13.22, or an 82.3% appreciation from its current share price of $7.25.

This $365.39 million agricultural technology company is a fertilizer producer. In 2021, revenue and net profit soared 202% and 540% versus 2020. Because of the accelerated market expansion, management launched the Paid for Growth (P4G) In January 2022. The cornerstone program aims to distribute higher gains to shareholders.

Exponential revenue growth

WELL Health Technologies is an awesome pick this month. The healthcare stock has gained 19.62% in the last 30 days and is now up 1.83% year to date. Based on market analysts' buy rating, the share price of $5 could appreciate between 50% ($7.50) and 100% ($10) in 12 months.

The $1.03 billion digital healthcare company has an innovative practitioner enablement platform that offers comprehensive end-to-end practice management tools. Besides the virtual care and digital patient engagement capabilities, the platform provides electronic medical records, revenue cycle management, and data protection services.

In 2021, revenue soared 501.8% to $302.32 million versus 2020. Adjusted net income reached $16 million compared to the $1.34 million in the previous year. Management said its organic growth in combination with the focus on tuck-in acquisitions should bring the annual revenue in 2022 to more half a billion.

Buying opportunities

TFSA investors can scoop any of the three growth stocks this week. Their account balances could rise considerably in one year.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:ARX (ARC Resources Ltd.)
2. TSX:NPK (Verde AgriTech)
3. TSX:WELL (WELL Health Technologies Corp.)

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