TFSA Investors: 3 Undervalued Growth Stocks You Should Hold in Your Portfolio

Description

Investing in a TFSA can help you accelerate your way towards financial independence. This is because investors don't need to worry about paying taxes after selling a position in these types of accounts. By buying shares of excellent growth stocks in a TFSA, investors could see gains compound even quicker.

In this article, I'll discuss three undervalued growth stocks that you should hold in your portfolio. For clarification, I don't define "undervalued" using certain metrics. Instead, this refers to a stock that trades much cheaper than I believe it should.

Buy this stock before it gets expensive

Since its IPO, **Shopify** (TSX:SHOP)(NYSE:SHOP) has been one of the most popular stocks on the **TSX**. Prior to this year, it gained more than 6,000% at its peak. Along the way, Shopify became the largest company in Canada, by market cap. However, as I write this today, Shopify has lost a lot of that value. In fact, it has fallen nearly 53% since the start of 2022. What's interesting is that the company's business hasn't diminished at all. In fact, I believe it's a stronger company today than it was back when it traded at a much higher value.

As you may know, Shopify provides merchants of all sizes with a platform and all the tools necessary to operate online stores. This ability to accommodate first-time entrepreneurs as well as large-cap enterprises is what separates it from its peers. In 2021, Shopify announced that it had established a partnership with **Spotify**, allowing artists to sell merchandise from their profiles. By continuing to establish these sorts of partnerships, Shopify enlarges its presence within the global e-commerce industry.

Invest in the renewable energy industry

I believe renewable utility companies still have a lot of room to grow. From the start of 2019 to 2021, there was a lot of excitement surrounding these companies. As a result, renewable utility stocks skyrocketed over that period. However, throughout much of last year, investors thought it was wise to lock in gains generated by renewable utility stocks. As a result, there was a massive correction across this industry. To start this year, it seems as though renewable utilities have fallen victim to the consequences of interest rate hikes, further depressing stock prices.

However, this sets up investors for success. These stocks now trade at very attractive prices, allowing investors to accumulate shares for cheap. Certain companies, like **Brookfield Renewable** (TSX:BEP.UN)(NYSE:BEP) have already started to recover. Over the past two months, Brookfield Renewable stock has gained about 11%. Operating a portfolio of assets capable of generating 21,000 MW of renewable power, I believe Brookfield Renewable is the most attractive company in this space.

Take advantage of an increasingly electronic world

No matter where you look, many processes are becoming more electronic. This is particularly true in the business world. You can see processes like payroll, accounting, and more starting to rely on artificial intelligence or cloud-based programs. When it comes to employee training, **Docebo** (TSX:DCBO)(NASDAQ:DCBO) stands out among the rest. It provides enterprises with a cloud-based and AI-powered eLearning platform.

Docebo stock currently trades about 47% lower than its all-time highs. However, this company is well positioned for success. It has managed to attract many big-name customers (e.g., **Amazon**), which could create a positive feedback loop, with regards to its customer base, moving forward.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. NYSE:BEP (Brookfield Renewable Partners L.P.)
3. NYSE:SHOP (Shopify Inc.)
4. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
5. TSX:DCBO (Docebo Inc.)
6. TSX:SHOP (Shopify Inc.)

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. jedlloren
2. kduncombe

Category

1. Investing

Date
2025/08/24
Date Created
2022/04/15
Author
jedlloren