3 Growth Stocks You'll Want for the Next 5 Years

Description

It's a really hard time for Motley Fool investors seeking out growth stocks. On the surface, it looks like everything could be a growth stock. But what you want are companies that are going to keep growing at a strong rate even after this market correction is over.

And it looks like there could be some positive news in sight. The **TSX** is down 7.8%, and is still in market correction territory from 52-week highs. However, it has risen 7% in just under a month at a steady pace. So now could be a great time to make that investment in long-term growth stocks.

How long? Five years ought to do it to see some strong returns from these three growth stocks.

CP stock

Canadian Pacific Railway (TSX:CP)(NYSE:CP) is actually doing quite well for its investors. Motley Fool investors following the stock have likely seen that the company looks to soon be the proud owner of **Kansas City Southern**. When this happens, it will be the only railway running from Canada down to Mexico.

This gives the company a vast new range of opportunities to bring in cash among growth stocks, from commodities to cars. And while the company slashed the dividend to pay the US$31-billion price tag, analysts remain confident investors will see that come back in returns.

In the next five years, you could see shares continue to grow at the rapid pace we've seen in the last decade. Shares are up 14% year-to-date, and 580% in the last decade. That's a compound annual growth rate (CAGR) of 21.1% for this growth stock!

Brookfield Renewable

Another strong option for growth stocks seeing some kind of rebound is **Brookfield Renewable Partners LP** (TSX:BEP.UN)(NYSE:BEP). Like CP stock, it has a huge opportunity ahead of it. The owner of renewable energy assets around the world is in growth mode, as countries around the world (especially Europe) move towards renewable energy.

Yet even with decades of being one of the best growth stocks, billions invested in future projects, and a stable dividend of 3.24%, the stock remains down from all-time highs; even as it hits record after record, bringing in more and more revenue and increasing its net asset value.

Shares of Brookfield are up 17.5% year-to-date, and 438% in the last decade. That's a CAGR of 18.3%!

Magna

Finally, if you want in on the car sector but aren't sure which electric car company to choose: don't. Instead, choose a company that will be helping them all with the transition to electric cars. That's what you get with **Magna International** (TSX:MG)(NYSE:MGA).

But if that's the case, why is the stock doing so poorly? The auto parts maker is one of the growth stocks right now with the potential to explode in the next five years. However, it's suffering owing to supply-chain shortages due to the pandemic. Most recently, lockdowns in China during June created backlogs in car parts.

Yet when the company is back up and running at full steam, it has partnerships with the largest car companies out there. Motley Fool investors will likely be seeing a lot more momentum in the future, which makes it a great buy today. The auto gear maker offers a 2.87% dividend yield, with shares down 19.3% year-to-date. Those shares are still up 391% in the last decade alone even after the recent drop, for a CAGR of 17.2%.

CATEGORY

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1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. NYSE:CP (Canadian Pacific Railway)
3. NYSE:MGA (Magna International Inc.)
4. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
5. TSX:CP (Canadian Pacific Railway)
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