3 of the Top Growing Stocks on Earth

Description

The Canadian market is often compared to the U.S. market and is usually slower compared to the southern neighbor. In the last five years, the **S&P 500 index**, representing the heavyweights of the U.S. stock market, grew by 68%. In contrast, the **S&P/TSX Composite Index** rose by about 32%.

But that doesn't mean the Canadian markets are devoid of great growth stocks. You can find some top growers in the local stock markets (primarily the TSX).

A tech stock

Constellation Software (TSX:CSU) is one of the easiest and most common choices when it comes to the best growth stocks in Canada. It has been growing at a remarkable speed for over 15 years, and in that period, it has increased its price tag from mid-$20s to over $2,000 per share. This represents a growth of over 7,800%.

But it's not just the scale of the growth that has placed Constellation among the most outstanding growth stocks; it's the consistency. The stock has almost always gone up at a steady yet robust pace with few (if any) erratic spikes that can shoot the share price upward in a short period.

It has also shown remarkable resilience against market crashes and headwinds, and even when it dips, the recovery is usually swifter than the broader market.

So, if you are looking for the top growth stocks, Constellation should be near the top of your watchlist.

A railway stock

Two giants reign in the Canadian railway industry and have an impressive presence in the U.S. as well. The larger of the two giants is **Canadian National Railway** (TSX:CNR)(NYSE:CNI). Its stock is a relatively accurate representation of the company's growth and impressive national footprint.

Canadian National Railway is a compelling choice for several reasons, many of which are tied to its competitive edges. But its growth potential is perhaps the one that attracts most investors.

Over 1,300% growth may not be on par with Constellation's, but the steady path to growth is comparable. More importantly, it comes with an almost fair valuation, making its potential for future growth relatively stronger.

It's also a well-established Aristocrat currently offering a modest 1.7% yield. It's also focusing on going green and raising its ESG (environmental, social, and governance) score, making it a lucrative pick from an ESG investing perspective as well.

An insurance stock

Intact Financial (TSX:IFC), with its roots going back to 1809, has slowly and steadily grown into the top property and casualty (P&C) insurer in Canada, with growing businesses in a few major international markets. The company has a strong history and a healthy business model, and it has expanded its range of insurance products over the years.

The collective geographic and business-line diversification makes it an even steadier and more stable investment. But what attracts most investors to the company is its decent combination of growth potential and dividends. It's currently offering payouts at a yield of 2% and has grown 88% in the last five years. If it can sustain this growth pace in the future, it may help you build your wealth steadily.

Foolish takeaway

The three stocks may have drastically different growth paces but what makes them top-of-the-line growers is the consistency of their growth. And since all three blue-chip stocks and leaders in their respective markets, you don't have to stretch your risk tolerance to add their growth potential to your portfolio.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:CNI (Canadian National Railway Company)
2. TSX:CNR (Canadian National Railway Company)
3. TSX:CSU (Constellation Software Inc.)
4. TSX:IFC (Intact Financial Corporation)

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Author
adamothman