



## 2 TSX Growth Stocks to Hold for the Next 10 Years

### Description

Given the current market environment, long-term investors would do well to aim their focus at companies with long-term [growth](#) potential. This is a market that has broadly seen growth stocks massacred, leading to the lowest valuations we've seen in years. Accordingly, as far as growth-at-a-reasonable-price goes, it's shopping season out there.

Of course, not all growth stocks may be trading at valuations that are quite attractive, just yet. That said, there are some gems Canadian investors may want to consider.

Here are two top growth stocks I think are worth a look in this current market right now.

### Top growth stocks: Constellation Software

**Constellation Software** ([TSX:CSU](#)) is a software conglomerate based in Canada. That said, this company generates most of its revenue outside Canada, mainly from the U.S., the U.K., and other parts of Europe. This company specializes in providing mission-critical software services to companies in both the public and private sectors.

Given the company's more global nature, Constellation may be a growth stock worth considering. There's the strong diversification this business model provides, which is a plus. But it's the company's key U.S. focus that makes this growth stock one I think is worth buying. Given the strong U.S. dollar, many multinational tech stocks are getting hit hard. That said, Constellation's ability to leverage the power of the U.S. dollar in its favour is a key benefit to shareholders.

Additionally, approximately half of Constellation's clients are government agencies. Thus, even if a recession hits the market, it likely won't affect their software budget. This is due to the reason that governments are generally much less prone to market forces, as compared to other companies in the private sector.

It is no secret that the bear market has hit the tech industry hard. However, in the first half of this year, Constellation spent more than \$1 billion for the purpose of acquisitions. As the software giant continues

to buy back shares, higher earnings per share metrics are almost certain to follow. Thus, I think Constellation is a company with a high valuation that could continue to see fundamental support for this valuation over the long term.

## Boyd Group

**Boyd Group** ([TSX:BYD](#)) is another stock that's certainly not cheap from a valuation standpoint. However, this company, which runs non-franchised collision repair centres all over North America, is among the best in class in its sector. Boyd operates as a third-party administrator offering first notice of loss services, glass, and emergency roadside services.

As per the company's recent earnings report, Boyd has shown strong year-over-year growth, supporting its relatively elevated multiple. The company's revenue growth of 37.8% and earnings growth of 19.2% year over year are certainly attractive.

This isn't a tech company we're talking about. Rather, Boyd's business is one many would put in the "boring" category. However, the company's excellent fundamentals and growth trajectory remain key selling points for long-term investors at these levels.

As Boyd continues to consolidate its fragmented industry, more upside potential is likely for growth investors. I think this is a stock worth considering [below the \\$200 level](#), where it trades right now.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. TSX:BYD (Boyd Group Income Fund)
2. TSX:CSU (Constellation Software Inc.)

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chrismacdonald

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