$10,000 Invested in These Growth Stocks Could Make You a Fortune Over the Next 10 Years

Description

Growth investors didn't have much to celebrate in 2022. The Canadian stock market as a whole was down close to 10% last year, with plenty of top growth stocks dropping far more than that.

Interestingly, for many of the beaten-down growth stocks on the TSX, the recent selloff is by no means a reflection of the health of the businesses themselves. We witnessed a variety of factors have a significant impact on the stock market last year, particularly in the high-growth tech sector.

I'd consider one of those factors a cooling-off period after a growth-filled bull run. Following the COVID-19 market crash in early 2020, the **S&P/TSX Composite Index** went on to ride an incredible bull run lasting close to two years, in which some growth stocks experienced multi-bagger returns in a very short period of time.

Loading up on growth stocks in 2023

Based on the market's recent volatility, it may not seem like an opportunistic time to be investing. But for those willing to be patient, this is when fortunes are made. The TSX is loaded with high-quality businesses whose stock prices got a little ahead of themselves.

With that in mind, I've reviewed two Canadian growth stocks that are trading at discounts today. If you've got some cash to spare, I'd strongly suggest having both of these companies at top of your watch list right now.

goeasy

goeasy (TSX:GSY) has quietly been one of the top-performing TSX stocks over the past decade. And with a market cap valuation of less than $2 billion still, there's lots of room for growth in the coming years.

The high-interest-rate environment has taken a short-term hit on the consumer-facing lender. As demand slowed, shares of goeasy followed suit. As of writing, the stock is trading at a loss of 40% over the past year and more than 50% below all-time highs.

Despite the recent selloff, though, shares have still largely outperformed the broader market's returns as of late. goeasy stock is up close to 200% over the past five years. In comparison, the S&P/TSX Composite Index is up less than 20%, excluding dividends.

This is not a growth stock that goes on sale often. And with a growth track record like that of goeasy's, long-term investors should give serious consideration to this under-the-radar company.

Kinaxis

Kinaxis (TSX:KXS) was one of only a handful of tech stocks that managed to stay on par with the market's returns last year. It's certainly been a volatile ride for Kinaxis shareholders since early 2020, but the tech stock is only down 30% from all-time highs, dating back to late 2021.

Demand for the company's supply chain management software exploded during the pandemic. The abrupt shift in consumer spending in 2020 heightened the importance of Kinaxis's software even higher than it already was.

The tech stock is up 100% over the past five years, largely outpacing the returns of the Canadian stock market.

If you're looking for a well-priced tech stock with plenty of long-term market-beating growth potential still ahead of it, Kinaxis is the company for you.

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