



## 1 of the Top Canadian Growth Stocks to Buy in February 2023

### Description

Every investor may have a different definition of a top stock and hence, a different pool of [“top stocks”](#) for every market they invest in. Investors that are interested mainly in passive income lean more towards dividend stocks. Investors aiming to build a hands-off portfolio may be interested in stocks that offer a powerful mix of stability, growth, and dividends.

Then there are investors who wish to grow their savings to a decent-sized nest egg as early as possible. These investors are naturally interested in powerful growth stocks, which require a more active investing style. But there are exceptions — i.e., growth stocks that have grown consistently for several years and may continue to do so.

**Boyd Group Services** ([TSX:BYD](#)) is one such stock, and it deserves to be on your radar for Feb. 2023.

### The company

The Winnipeg company has been around since 1990. It started as a single autobody collision repair facility that started growing in Western Canada in under a decade and, by 1999, was a leader in this space in Canada.

It started growing its U.S. footprint and now has over 867 collision repair locations in two countries. There are now five different brands under the Boyd name, including a claims processing business.

Thanks to a few well-placed acquisitions, Boyd’s U.S. presence now far outshines its local one. Only about a 10th of the company’s revenue comes from Canada now. Over 700 of its 867 locations are spread out over 31 U.S. states.

It’s a mature business with a strong financial footing. The fact that almost 90% of its revenues come from insurance companies and only 10% from consumers makes its revenue stream relatively secure against market fluctuations.

## The stock

If you had invested \$10,000 in Boyd Group exactly 15 years ago, you would have grown your capital to a massive nest egg of about \$900,000 or over a million with dividends reinvested. That was the golden time of Boyd's growth, but that doesn't mean it's not worth considering now. Its post-2020 crash performance endorses its potential as a decent growth stock.

After the crash, the stock recovered almost all of its value in just under four months. Then it rose at a modest pace, only to be pushed down 50% from its Oct. 2021 high. The company has gone through a steady recovery phase and has risen 68% so far.

This rate is comparable to its growth before the pandemic, and if it keeps on going up at this rate for a decade or so, you may grow your capital by a significant margin. The company pays a dividend, but the current yield of 0.27% is too small to be consequential for your investment decision.

## Foolish takeaway

If you are a little late to your [retirement planning](#) and only have one or two decades to grow whatever savings you have to a decent size, stocks like Boyd may be your best shot. With the right combination of growth stocks, you may be able to achieve anywhere between two- to five-fold growth within a decade, even taking the underperformers into account.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:BYD (Boyd Group Income Fund)

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