



Canadian Investors: 2 Stocks to Invest in Ahead of an Economic Recovery

Description

With the country's reopening right around the corner, now is a good time to load up on [top Canadian stocks](#). As the country slowly begins reopening, there's a good chance that the expected rise of consumer spending could drive a strong economic rebound, translating into growth for those investing in stocks.

Ahead of a potential economic recovery, I'm looking to stocks that could stand to benefit from a rise in consumer spending. It's still unclear as to what exactly the second half of 2021 will look like, but I feel comfortable taking a chance on a couple of stocks that could boom in an economic recovery.

If you've got cash ready to invest, these two top picks should be at the top of your watch list right now.

Shopify

At a market cap of \$160 billion, **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) is doing its best to reclaim its spot as Canada's largest company.

The [growth stock](#) has had an incredible run since it joined the **TSX** in 2015. Not many companies have topped the growth numbers that Shopify has put up since then. But after growing nearly 4,000% since 2015, many investors are questioning if Shopify stock is worth its high price tag.

There's no question that a price-to-sales ratio of 50 is a steep premium to pay. Shopify is in a league of its own when it comes to valuation. But as a current Shopify shareholder, I'll gladly pay these prices as long as the company continues to put up monster growth numbers.

The [tech stock](#) recently reported its 2021 Q1 earnings, which sent shares soaring more than 10% the following day. Shopify once again posted revenue growth above 100%, which management attributed to the rise in online shopping caused largely by the pandemic.

Seeing a company this size double its revenue is why I'm comfortable adding to my position today. I understand it's going to be a bumpy ride as a shareholder with valuations this high, but I'm confident betting on this tech giant to continue being a market beater for decades longer.

goeasy

goeasy ([TSX:GSY](#)) is a much more under-the-radar stock than Shopify. At a market cap of only \$2 billion, the financial services stock understandably receives a lot less attention than Shopify.

goeasy is a consumer-facing financial services company. It provides its Canadian customers with all kinds of different loans, including personal, home, and auto.

Growth of 700% over the past five years is enough of a reason to be on any investor's watch list today. But the reason it's on my radar right now is because a spike in consumer spending could lead to a rise in demand for goeasy's services.

Even after putting up that type of growth since 2016, shares are still very [reasonably priced](#). The stock trades today at a forward price-to-earnings ratio below 15.

In addition to that, the stock also pays a dividend, and an impressive one too. It's currently yielding 1.75% at today's stock price.

Foolish bottom line

If you're like me, bullish on an economic recovery this year, now's the time to be loading on top stocks — specifically, companies that could see demand for their products and services rise along with consumer spending.

If you're interested in both goeasy and Shopify, there's absolutely no harm in adding both to your portfolio today. Aside from the possibility of seeing a strong second half of 2021, the two stocks are very different from one another.

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1. Investing
2. Tech Stocks

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1. goeasy
2. goeasy stock
3. growth investing
4. growth stocks
5. GSY
6. gsy stock
7. SHOP
8. Shopify

9. Shopify Stock
10. tech stocks
11. technology

TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:GSY (goeasy Ltd.)
3. TSX:SHOP (Shopify Inc.)

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8. Shopify
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