



Beginner Investors: 2 Canadian Growth Stocks to Buy Today!

Description

Investing in the stock market may seem stressful at first, but it's easier than you think. Whether you're looking for a Dividend Aristocrat of the next-hottest growth stock, there's likely a long list of companies that match your investing needs.

Foolish investing is all about [buying and holding](#) for the long term. That's particularly important when it comes to growth investing. Growth stocks tend to be much more volatile, so you may need to hold for a long period of time before the company begins to deliver market-beating gains.

For investors that are comfortable with risk and have a long time horizon, [growth investing](#) may be for you. To get your portfolio started, here are two top growth stocks that you'll want to have on your radar.

Growth stock #1: Shopify

There haven't been many better-performing growth stocks than **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) over the past five years. Shares of the tech company are up more than 6,000% since 2016.

If you've heard of Shopify but don't exactly know what it does, you're not alone. Shopify's cloud-based commerce platform works in the background to create an online storefront for businesses across the globe. The multi-channel commerce platform provides sellers with much more than just a digital storefront, though. Merchants also have access to digital marketing and analytics support, inventory management and finance software, just to name a few examples.

With the increase in online shopping in 2020, it shouldn't come as a surprise to hear that Shopify had an excellent year. We may see the acceleration in online shopping slow in 2021, as brick-and-mortar retailers gradually begin to re-open, but you can bet that the rise of e-commerce is just getting started.

Shopify is now valued as the largest company in Canada. As a result, its monster-growth days are most likely behind it. But that doesn't mean it's no longer in growth mode. Shopify is still one of my favourite growth stocks on the market because of the massive market opportunity in the e-commerce industry.

Growth stock #2: Brookfield Renewable Partners

Speaking of massive market opportunities, the renewable energy sector is one that you'll want to have exposure to over the next decade.

The rise in demand for renewable energy has become evident over the past several years. Looking at 2020 alone, green energy stocks were some of the top performing on the TSX.

The tailwinds for the sector are clear. The real question is, which green energy stocks should you be adding to your portfolio this year?

Brookfield Renewable Partners ([TSX:BEP.UN](#))([NYSE:BEP](#)), a subsidiary of **Brookfield Asset Management**, is a leader in the renewable energy sector.

This growth stock does it all. It owns and operates all different kinds of renewable energy sources. In addition to that, it has a strong international presence.

In terms of growth potential, shares of Brookfield Renewable Partners were up 75% in 2020. Over the past five years, gains are now over 200%.

The best part about this growth stock is that it's reasonably priced. Brookfield Renewable Partners trades today at a price-to-sales (P/S) ratio of less than 10. In comparison, Shopify's P/S ratio is above 80.

Foolish bottom line

Before you invest in any company, let alone a growth stock, be sure you're able to hold on to that investment for at least five years. Ideally, you're holding that stock for 10 years and longer.

Investing in growth stocks will require a certain level of commitment. When the market goes through an inevitable downturn, growth stocks may decline much more than the broader market. The trade-off is that the growth stocks you own have the potential of delivering gains that far outpace what the broader market returns.

If you can stomach the volatility and have at least a five-year time horizon, you'll want to add these two growth stocks to your portfolio this year.

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1. Energy Stocks
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3. Tech Stocks

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5. energy stocks
6. green energy
7. growth investing
8. growth stocks
9. renewable energy
10. renewable energy stocks
11. SHOP
12. Shopify
13. Shopify Stock

TICKERS GLOBAL

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2. NYSE:SHOP (Shopify Inc.)
3. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
4. TSX:SHOP (Shopify Inc.)

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4. energy
5. energy stocks
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- 10. renewable energy stocks
- 11. SHOP
- 12. Shopify
- 13. Shopify Stock

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