



3 Top TSX Growth Stocks to Buy Before They Take Off

Description

Finding the best [growth stocks](#) on the market is what every investor is after. Of course, growth stocks providing the best long-term outlook are hard to come by. Fortunately for us, the TSX happens to have a number of excellent growth opportunities available right now.

Let's discuss three which top my list right now.

Top growth stocks: Constellation Software

In the software space, **Constellation Software** ([TSX:CSU](#)) continues to be one of the growth stocks I'm pounding the table on.

This conglomerate of various smaller software businesses has grown to massive scale over the years using an acquisitive strategy. The company goes out and finds the best growth plays in the software industry trading at reasonable valuations. Upon rolling these companies into Constellation's portfolio, it just so happens that many such companies see explosive growth over the years. Additionally, Constellation has proven the ability to increase its return on equity for patient investors who believe in this model.

Given the booming number of software companies today, I see no reason why this catalyst would slow down. In fact, I think Constellation is well poised to pick up the pace of acquisitions. Should this be the case, investors have a sleep-at-night growth stock to buy today and put away forever in Constellation.

Shopify

Perhaps the most well-known growth stock on the TSX, **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) has absolutely [taken off](#) since its IPO six years ago. Indeed, the company's leading e-commerce platform has been a key component of the ability for many small- and medium-sized businesses to survive the pandemic. Accordingly, Shopify's a company that has seen growth accelerate during an otherwise difficult time for many sectors.

That said, there's reason to believe Shopify's growth trajectory not only remains intact but is as robust as ever. The long-term catalyst that e-commerce provides makes Shopify one of the growth stocks with perhaps the best long-term growth outlook in Canada.

I think e-commerce will continue to drive returns in the retail space. Accordingly, Shopify remains a top picks-and-shovels play on this sector. Investors bullish on e-commerce as a driving force for future growth ought to consider this stock.

Lightspeed

Another intriguing — but expensive — growth stock I have my eye on right now is **Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)). Indeed, this POS and payments provider is among the most highly valued growth stocks on the TSX. However, this is for good reason.

Similar to Shopify, Lightspeed has benefited from the transition toward e-commerce and online payments activity. The company has been moving in the direction of achieving a higher percentage of its income from e-commerce-related activities. Over the long run, this should boost profits for Lightspeed.

However, Lightspeed is still a company that's likely a ways away from generating meaningful earnings for investors. This is perhaps the most speculative play on the list and should be reserved for the most aggressive of investors. That said, aggressive investors who bought the dip on Lightspeed last year have been significantly rewarded. This is a stock that investors looking for growth stocks ought to keep on their watch list and consider on dips moving forward.

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TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:CSU (Constellation Software Inc.)
4. TSX:LSPD (Lightspeed Commerce)
5. TSX:SHOP (Shopify Inc.)

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