

A 4-Stock Growth Portfolio to Amass a \$1 Million TFSA

Description

A million-dollar TFSA may seem far-fetched, but it's not. For many investors with a long-term time horizon, it's just a matter of time before you become a TFSA millionaire, especially if you invest in top-notch growth stocks with a promising long-term trajectory.

You don't need to be a trader of penny stocks to amass a million-dollar TFSA; you just need time, discipline, and patience. If you're a millennial who has taken control of your finances and have been regularly contributing the full amount to your TFSA each year, then you're already way ahead in the game, and it's probable that a TFSA worth north of \$1 million will be in your future.

How can you amass \$1 million in a smart way?

The first step is to ensure that you've contributed the maximum amount to your TFSA. Check with a financial advisor to see if you have any room left for additional contributions and make sure you contribute as soon as you possibly can to unlock the full power of long-term compounding.

So, now you've got a tonne of cash in your TFSA. You may even have bonds and high-income-paying securities, but what's the best strategy for amassing a massive TFSA over the long term?

Should you be taking risks on small-cap stocks? Should you stick with blue-chip stocks? Or should you stick with low-risk, high-yield securities like REITs? What about bonds?

Each investor has their own unique strategy. If you're an older investor, then you probably want to opt for safer high-income securities in addition to bonds. Bonds and REITs are better off in a TFSA than a non-registered account because of tax reasons, but they're probably not going get you to a \$1 million TFSA in a reasonable amount of time.

I'm going to assume that you're an investor whose primary goal is to grow your TFSA to \$1 million in the quickest and safest way possible. In other words, I'm going to suggest a strategy that would be optimal for millennials.

If you want to amass a \$1 million TFSA in the most efficient manner, then you've got to be willing to invest in growth stocks, both blue-chip and small-cap names. Sure, growth stocks may be "riskier," and investors may want to be safer when it comes to TFSA investing, since you can't offset capital losses, but you've got to take risk to gain massive tax-free returns over the long term. Think about it: not only will your account snowball at a faster rate, but it'll do so tax-free.

Consider blue-chip growth names such as **Alimentation Couche Tard Inc.** (TSX:ATD.B), **Restaurant Brands International Inc.** ([TSX:QSR](#))([NYSE:QSR](#)), **Shopify Inc.** ([TSX:SHOP](#))([NYSE:SHOP](#)), and **Dollarama Inc.** ([TSX:DOL](#)). All of these companies have very strong long-term growth profiles and durable competitive advantages that will propel shares of each company into the atmosphere over the long term.

The stocks

Couche Tard is a consolidator of an extremely fragmented convenience store market. Here are [five tailwinds](#) that will send shares soaring over the next decade and beyond.

Restaurant Brands International is expected to be a major force in the fast-food business over the next decade. The company owns Burger King, Tim Hortons, and Popeyes Louisiana Kitchen. These are impressive brands, but that's just the start! The legendary management team in 3G Capital knows how to drive efficiencies, and that means massive long-term rewards for shareholders.

Shopify is the hottest tech play on the TSX, with its disruptive e-commerce platform built for small- and medium-sized business owners. The company is gaining subscribers like there's no tomorrow, and the best part is, it's still in the early stages of its growth cycle.

Like Couche Tard, Dollarama is another retail growth story that has a tonne of room to grow in a fragmented industry. Dollarama is looking to expand to international locations, and over the next decade, it's likely that shares will fly ridiculously high.

Bottom line

These are just four explosive growth stocks that investors should think about adding to their TFSAs. Buy all four and hang on to them for decades, and you'll find yourself a TFSA millionaire in no time!

CATEGORY

1. Investing
2. Stocks for Beginners

TICKERS GLOBAL

1. NYSE:QSR (Restaurant Brands International Inc.)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:DOL (Dollarama Inc.)
4. TSX:QSR (Restaurant Brands International Inc.)
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