



## TFSA Investors: 5 Millionaire-Making Growth Stocks to Buy Today

### Description

Many young savers wonder how they will be able to accumulate \$1 million in their saving accounts — it's a sum many believe is enough for a comfortable life in retirement.

I would like to dispel this impression that you will find a shortcut in these articles to build a million-dollar portfolio. The road to achieve financial independence starts with discipline and persistence.

You have to control your spending from the day your start earning. You have to develop a habit of saving aggressively, and you have to do it for a long time.

In Canada, you have a fantastic saving tool which has been designed to help you maximize your savings and get you the best tax benefits.

As evident from its name, Tax-Free Saving Accounts (TFSAs) have many advantages for young savers. They allow investments to compound tax free, and you can cash out your TFSA without anytime without incurring a tax liability.

Through your TFSA, you can start investing in safe, growth-oriented stocks which you plan to buy and hold for a long time.

Let's say you maximize your yearly TFSA limit of \$5,500 and start investing at the age of 20. If you continue to do so for the next 40 years, you could retire with \$1 million in your TFSA. More precisely, you'll have \$1.187 million in your account, including \$788,000 as an investment return on your contributions.

The assumptions here are that the rate of inflation will be 2%, and you'll be able to maintain 5.5% rate of return on your portfolio.

Now, let's talk about the stocks that can get you there. Here are my five favourite millionaire-making growth stocks.

**Enbridge Inc.** ([TSX:ENB](#))([NYSE:ENB](#)) is my top pick among the Canadian energy infrastructure companies. Through its constant growth and a smart acquisition strategy, the company has reached a scale that will enable it to produce a steady income stream for a long time.

Offering a 4.9% annual dividend yield based on its today's price, Enbridge has paid dividends for over 64 years to its shareholders, producing 12.3% total annualized return during the past 15 years.

**Canadian National Railway Company** ([TSX:CNR](#))([NYSE:CNI](#)) runs a 100-year-old railway business and has a strong leadership position in the transportation sector. The Canadian rail industry is a quintessential duopoly, dominated by CNR and **Canadian Pacific Railway Limited**. CNR has delivered a ~17% annualized return for its investors for the past 15 years, if all dividends were re-invested.

**Brookfield Infrastructure Partners L.P.** ([TSX:BIP.UN](#))([NYSE:BIP](#)) is a solid stock for Canadian investors to have some global diversification. Its portfolio of critical infrastructure assets, such as electricity and gas distribution businesses in Australia and the U.S., and a portfolio of 36 ports in North America, helps the company generate stable cash flows for long-term investors who are keen to earn stable dividends.

**Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) is one of the best stocks among large Canadian lenders. Its huge presence in the U.S. and dominant market share in the local market makes this lender a cash machine for long-term TFSA investors. In the past 15 years, the lender has provided a 12% annualized total return, and there is no reason why it shouldn't continue with this trend.

**BCE Inc.** ([TSX:BCE](#))([NYSE:BCE](#)) is also a great long-term stock for a TFSA. The company is Canada's largest telecom operator with a lot of media assets. BCE currently pays a \$2.88 per share annual dividend, which translates into a juicy 4.8% yield — a solid payout in today's low-return environment.

## The bottom line

Amassing \$1 million before you retire is not that hard. Keep saving and investing in great dividend-paying companies, such as Enbridge and TD Bank, and you will notice how quickly your saving nest grows as years tick by.

## CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Energy Stocks
4. Investing

## POST TAG

1. Editor's Choice

## TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)

2. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
3. NYSE:CNI (Canadian National Railway Company)
4. NYSE:ENB (Enbridge Inc.)
5. NYSE:TD (The Toronto-Dominion Bank)
6. TSX:BCE (BCE Inc.)
7. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
8. TSX:CNR (Canadian National Railway Company)
9. TSX:ENB (Enbridge Inc.)
10. TSX:TD (The Toronto-Dominion Bank)

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