

1 Simple Secret to Amass Profound Wealth Over the Long Term

Description

It's a common fallacy that today's young investors need to be in the "sexy play" at a given point in time if they have any intention of becoming rich.

Warren Buffett doesn't care too much for such overly complicated businesses or asset classes that he doesn't understand. Even the "sexiest" investment on Wall Street isn't enough to get Buffett to change his investment philosophy that's been built upon throughout decades.

The temptation is out there, and for beginner investors, it's hard to resist the siren song of some of the riskier opportunities that are out there.

Whether we're talking about cryptocurrencies, cannabis, tulip bulbs, or pixie dust, there's usually a "sexy" play that everybody on Main Street has been talking about, and by the time you hear stock tips from your non-financially-savvy friends, the real window of opportunity may have closed or is near closing.

Not everybody should "inhale" when it comes to pot stocks

The next up-and-coming TSXV-traded pot stock isn't for everybody, and fortunately, you don't need to feel obligated to take a leap of faith with such unknown shares that are more akin to a lottery ticket than an actual investment.

Now, there are probably a handful of established pot stocks that will continue to make their investors rich, but the fact of the matter is that a lot of smaller up-and-comers that are hungry to a slice of the pot pie may stand to be squashed by the competition, as the weed industry further consolidates.

If you're not an aggressive growth investor with an above-average appetite for risk, do yourself a favour and stay within your circle of competence. You can still amass a respectable amount of wealth over the long haul by doing this and not participating in the marijuana "green rush" that you've heard about. Sometimes the best investments are the simple, boring, "unsexy" plays that most investors overlook for securities that make for better conversations at the dinner table.

Consider **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) a snooze-worthy dividend growth stock that will reward you with a nearly guaranteed 5% dividend raise every single year! The stock is modestly valued and will have your back once the bull market goes on life support. The stock currently yields around 4% and is down over 9% from its all-time high.

The company's highly regulated operating cash flow stream is enough to make a disciplined investor very rich over the course of decades, assuming that dividends are reinvested.

Over the long haul, one has to expect the road ahead to be bumpy, and Fortis will smooth out the big bumps the market experiences, rewarding shareholders with consistent dividend payouts in the process.

Foolish takeaway

The secret (or not-so-secret) way to accumulate great wealth over the long haul is to know yourself as an investor and only invest in what's in line with your unique risk tolerance and goals. When you deviate from your personalized plan to "make a quick buck" is when mistakes happen. Not everybody can stomach double-digit percentage moves in a security, and those who aren't well suited will overreact and stand to lose a considerable amount of money.

While you may think that smart, rich investors are betting big on speculative securities, this simply hasn't been the case!

These investors park their capital in stable investments (and [liquid assets like cash](#)) and humbly acknowledge that not even they know where the markets are going in the future. In investing, everybody thinks they're an expert, and as a result a lot of investors end up taking on more risk than they can handle. Of course, this realization only comes to be once the markets finally head back into correction or bear territory. [Markets don't always go up](#), and the sooner new investors realize this, the better.

If you know yourself to be a conservative or prudent investor, ignore the noise and stay the course with your personalized investment plan with stocks like Fortis: the anti-Bitcoin or anti-marijuana stock!

Stay hungry. Stay Foolish.

CATEGORY

1. Dividend Stocks
2. Investing
3. Stocks for Beginners

TICKERS GLOBAL

1. NYSE:FTS (Fortis Inc.)
2. TSX:FTS (Fortis Inc.)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Dividend Stocks
2. Investing
3. Stocks for Beginners

Date

2025/08/18

Date Created

2018/08/21

Author

joefrenette

default watermark

default watermark