



## How Investors Made a \$275,000 Capital Gain (and How You Can Do it Too)

### Description

Over the last 10 years, the **S&P/TSX Composite Index** has been on a wild ride, returning 76% in a bullish run that has been unmatched in history.

And during this run, we have seen a shift in the index's constituents, with energy and materials companies becoming less significant and tech and financials becoming more significant.

Most recently, we have even seen the addition of cannabis stocks, with the likes of **Aphria**, **Aurora Cannabis**, and **Canopy Growth** joining the index.

And although these cannabis stocks have no earnings and probably won't have stable earnings for a few years, these billion-dollar companies are quickly making their mark as meaningful constituents of the index. Canopy Growth stock has a market capitalization of \$22 billion, Aurora Cannabis has a market capitalization of \$12 billion, and Aphria has a market capitalization of \$2.5 billion.

### Earning a \$275,000 capital gain

During the last 10 years, however, investors have had big success with some of the more traditional stocks.

Stocks like **Canadian Pacific Railway** ([TSX:CP](#))([NYSE:CP](#)) is a [dividend stock](#) that has benefited greatly from solid operating performance in the fundamentally sound railway industry that is protected by a deep and vast moat.

Investors who'd invested \$49,000 in CP stock 10 years ago by buying 1,100 shares at \$44.34 have seen this grow to \$325,710 for a capital gain of \$275,700.

### How you can do it too

Wouldn't you like to do that?

I mean, it's one thing to look at history and see what we could have done, but what we really want to know is how to do this now.

To replicate this type of return, I am suggesting that you should consider a company that is in an emerging industry with years of growth ahead of it.

No, I'm not referring to the [cannabis industry](#), although this would qualify as such an industry. I just see too many risks there for reasons I have discussed many times before.

I am referring to the tech industry — an industry that is transforming how we live, how we do business, and much more.

With a long history of shareholder value creation, **CGI Group** ([TSX:GIB.A](#))([NYSE:GIB](#)) has commanded respect from investors and its industry for many years now.

As a Canadian leader in IT services, this company has successfully grown through organic growth as well as acquisitions and has developed strong competitive advantages along the way.

The company's balance sheet and cash flow generation remain stellar, and with the next wave of acquisitions aimed at helping the company double in size in the next five to seven years, CGI Group stock is likely to rise much higher.

With the stock price already having risen from \$10.70 10 years ago to the current \$96.09, we can see how it is well along the way to following in CP Rail stock's footsteps.

## CATEGORY

1. Dividend Stocks
2. Investing
3. Tech Stocks

## TICKERS GLOBAL

1. NYSE:CP (Canadian Pacific Railway)
2. NYSE:GIB (CGI Group Inc.)
3. TSX:CP (Canadian Pacific Railway)
4. TSX:GIB.A (CGI)

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