# How to Turn $60,000 Into $1,000,000

## Description

We're all looking for that one stock that promises to make us rich by the time we retire. But those type of stocks can be few and far between, and definitely risky. But even though you might not get the chance to buy something like **Amazon** before it takes off, that doesn't mean you can't retire with a healthy sum by investing in solid growth stocks.

Again, that doesn't mean you need to buy a risky marijuana company or other trendy stock. You just have to look for opportunities to buy up healthy, conservative stocks that guarantee a strong future.

While banks stocks are absolutely one option, another I'd recommend is an ETF. For today, I would choose **Horizons S&P/TSX 60 Index ETF** (TSX:HXT).

The main reason that I'm recommending Horizons over other ETFs, is twofold: first, the ETF chooses the top 60 stocks on the **S&P/TSX Composite index**, so that saves you from making an investment of about $16,000.

The other reason is that this stock is run by MIND, an artificial intelligence program that picks and chooses the stocks the ETF invests in, leaving less room for human error.

In the last five years, Horizons' stock has seen steady growth of more than 32% with a five-year trailing return of 6.64%. Year to date, that return has been 17.22%, which is just below the **S&P 500 Composite Index** at 18.25%.

The only downfall is that you won't get a dividend yield with this stock as you would with, say, a bank stock. However, that doesn't mean you won't benefit from one. For any of the stocks in the ETF that do offer a dividend yield, that money will be reinvested into the ETF, which means major benefits for long-term investors.

As of writing, the dividends being reinvested sit at 3.2% annually, and as companies continue to increase dividend yields, that number will grow alongside it.

So let's conservatively assume that this growth will continue into the foreseeable future, and start with

$70,000 on the way to $1,000,000. As of writing, Horizons trades at $35.16 per share, which means you would have 1,990 shares and shares would have to reach $500 each before you sold at $1,000,000.

In that time, you would need about 47 years for that $70,000 to grow into $1,000,000 just from share growth alone. If you take the reinvested dividend into account, you would be selling a lot sooner.

In fact, even if the dividend yield didn't grow at all, that would mean by the time you have $1,000,000 from the stock, you would have reached an extra $32,000 of a reinvested dividend. So that 47-year wait won't be that long and is likely much closer to 40 years.

Now, while that's still a long time, think of it this way. The average age of retirement is 65. If you started this portfolio at 25, that leaves you with a 40-year period before you need that $1,000,000.

Also, it doesn't mean you have to necessarily wait that long to sell. In fact, it would only take 25 years to turn that $70,000 into $300,000, in case you come into a freedom 50 scenario.

Of course, this is just an example, and there are plenty of options that could create a portfolio similar to this. The main point of this article is to show you that by making the proper investment into conservative, healthy, strong, steady growth stocks, you can absolutely create massive growth over the long term.

## CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

1. TSX:HXT (Horizons S&p/tsx 60 Index ETF)

## PARTNER-FEEDS

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

## Category

1. Dividend Stocks
2. Investing

**Date**
2025/10/02
**Date Created**
2019/06/09
**Author**
alegatewolfe

default watermark

Footer Tagline