



## This Top Growth Stock Could Turn \$500 Into \$50,000

### Description

Seasoned stock market traders have learned the art of fail-safe investing. They know for a fact that there's no such thing as zero risks when purchasing equities. That is the major concern of risk-averse investors. But on the **TSX**, you can start with a \$500 investment and see it grow to \$50,000 over time.

Many will question the 9,900% growth because it really looks implausible. The market is unpredictable such that no one can accurately predict the future price of a particular stock. The best strategy to beat the odds and ensure solid annual returns is to invest in a value stock.

### High returns while preserving the value

**Vermilion Energy Inc.** ([TSX:VET](#))([NYSE:VET](#)), the vibrant international energy producer based in Calgary is a solid choice. Your [measly capital can turn into a fortune](#) if you have long-term financial goals.

The \$4.4 billion oil & gas E&P Company is a class act when it comes to dividend payments. Vermilion takes pride in a consistent record of market outperformance spanning 20 years. Management believes having a self-funded growth-and-income model will create more value for shareholders.

VET's current price of \$28.45 is lower by 38.4% compare to a year ago. The share prices of oil producers and transporters dropped last year due to depressed oil prices. So where is the value when you buy the stock? Actually, opportunistic investors welcome lower prices. The situation creates higher dividend yields.

Investors are all the more attracted to Vermilion because of the company's massive 9.7% dividend yield. If you're looking to generate portfolio income, the company's monthly dividend payments provide a stable income stream. Some investors contend that stocks paying more than 8.0% dividends are likely to cut them soon.

## Dividend safe

Ever since the Vermilion started paying and distributing dividends in 2003, it was never reduced. The company even raised dividends four times within that stretch. That makes the stock dividend-safe and a stand out to dividend-stock investors.

As an investment prospect, Vermilion Energy exhibited exceptional growth rate since the company was established in 1994. Imagine the investor who spent \$500 to purchase the stock during the IPO in 1994 at \$0.30 per share. And the said investor kept it in the portfolio.

At the current price of \$28.45, the price appreciation is already 9,383%. Factor in the current dividend yield and you receive a huge bonus. Timing is very important when buying but exercise patience. [Superior rewards](#) will definitely come later.

Vermilion Energy possesses key attributes that are endearing to long-term investors. For prospective investors, it's not too late to invest, as the company still has strong growth runway. Aside from the U.S., the presence in Australia and Europe makes for a solid global footprint and enduring business.

In 2018, net income grew by 336.3% to \$271.6 million from the prior year. This strong profit growth indicates the company has a substantial amount of cash flow. Vermilion Energy can further pursue organic production growth and be a reliable dividend-payer to investors. Nothing can get in the way.

### CATEGORY

1. Energy Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:VET (Vermilion Energy)
2. TSX:VET (Vermilion Energy Inc.)

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