Millennial Investors: How to Build a $115,000 TFSA With Only $10,000

Description

It can be really hard to think about the future. On the whole, the number one topic that comes up again and again is financial worry.

That's especially true for the millennial population. We like to pick on millennials, but the average annual salary of a millennial as of 2016 is only $34,300. That's a $100 increase since 1980! No wonder they live in their parents' basements until their mid-30s.

But again, it can be really hard to think about something as far off as retirement when you're just trying to build enough income to pay off student debts, a car loan, or (if you're one of the lucky ones) a mortgage.

Yet retirement is something every investor should keep in the back of their minds, and it really does have to just be in the back, not the forefront. The way to keep it as less of a worry is to find buy-and-hold stocks that can make investors an incredible amount over decades, meaning you don't have to invest a tremendous amount to get there.

For today's purposes, I'm going to assume investors have about $10,000 to work with and put away for a retirement growth fund. If you do, buy and hold these stocks for decades, and you'll walk away with a $200,000 retirement nest egg.

Scotiabank

First up, we have Canada's third-largest bank, but the one with the most growth potential. **Bank of Nova Scotia** (TSX:BNS)(NYSE:BNS) is considered Canada's most international bank, receiving half of its revenue from Canada and the other half from international operations. Only a slight amount of those are in the United States, meaning the bank is incredibly diverse.

This is great for when North America goes through a recession, such as the one potentially in the books. A bank like Scotiabank is therefore set up to be supported by its international locations while they wait out the storm. And now that the mergers and acquisitions are done, the company has focused on its bottom line and bank efficiency. The stock also offers the highest dividend yield of the top banks at 4.88%.

Enbridge

Next, we have **Enbridge** (TSX:ENB)(NYSE:ENB), a stock that offers investors an incredible opportunity to buy at bargain-basement prices. The stock has seen a fall recently as the firm's Line 3 pipeline was stalled yet again due to environmental concerns. But analysts think that investors are overlooking the long-term potential of this stock. That's where you come in.

Enbridge is in growth mode right now, with $16 billion in secured projects that should come online by 2021. Beyond those projects, the company has long-term contracts that guarantee steady cash flow for decades. Again, the company offers an incredible 6.36% dividend yield that investors can choose to spend or reinvest.

Foolish takeaway

Both of these stocks are currently in growth mode but are slumped due to market volatility. As the potential mortgage crisis subsides and oil and gas prices rebound, both stocks stand to make a killing once projects are completed.

Given the room for incredible growth, it's fair to look at historical performance when considering where these stocks could be in the next few decades.

Enbridge shares have increased 1,272% in the last 25 years, and Scotiabank's have increased by 1,012% in that time frame. If we expect the same performance, an investment of $5,000 in each stock today would bring your total to $114,349 in the next 25 years.

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