



One Stock Is All You Need to Be Wealthy in 20 Years

Description

If you're looking to retire by 65, that number can sneak up on you rather quickly. A few years ago, it seemed as if that time would never come. But it does – and when it does, you'll want to be ready. What can you do to prepare?

Focus on 20 years – when it comes to looking at the future potential of a company you're considering investing in, the past performance of that company, and a solid amount of time for your investment to grow.

In order to reach wealthy status in 20 years, you're going to need a solid company that has strong potential going forward. That's why today I would strongly consider buying shares in **Enbridge Inc.** ([TSX:ENB](#))([NYSE:ENB](#)). Here are a few reasons why.

Strong returns

You might think that Enbridge [isn't the best choice](#) right now, and I can understand why. The company's share price has plummeted for a few reasons, including the downturn in the oil and gas industry as a whole. On top of that, Enbridge has experienced a delay of its Line 3 pipeline and an explosion at one of its building sites.

However, these are short-term issues that, frankly, don't have a lot to do with the company's overall performance. That performance has been excellent for years, with the most recent quarter bringing in adjusted EBITDA of \$6.97 billion, and adjusted earnings of \$2.98 billion for the first six months of the year.

Stable dividends

Enbridge is one of the top dividend payers on the **TSX Composite**, and is tied for 10th place with one of the longest streaks at 23 years. That dividend is nothing to sneeze at either, currently 6.52% as of writing. In the last five years, Enbridge has averaged an increase of an incredible 22% per year! The

company expects to keep an increase of 8–10% through 2020.

That growth is supported by the company's long-term contracts that should see dividend and share growth for decades to come. Far beyond 2020. That also means you'll have plenty of extra cash coming in to reinvest to reach that wealthy goal sooner.

Future growth

Another way that Enbridge's dividend and share growth will continue to be supported is through its future potential. This stock has it in spades. Enbridge is currently in growth mode and not just through its Line 3 pipeline. The company has \$16 billion in secured projects currently underway and set to be online by 2021. After that, the company has a further \$3 billion in growth projects.

Now, you might ask yourself, what good are pipelines in a plagued oil and gas industry? Well that's just the problem. There is a glut of oil and gas with no way to transport it. So when Enbridge comes online, the company will prove its expansions have been needed for some time. This should see the company's earnings sky rocket, along with its share price.

Bottom line

To reach that wealthy status, you'll likely want to make at least a couple hundred-thousand dollars by the time you retire. So, if you have 20 years, and consider the potential growth of Enbridge over that same period, you'll see the company could grow a further 475% as of writing. Honestly, that's a conservative estimate given the amount of growth and the fact that this stock is [undervalued](#) by at least 35% at the moment.

Let's look at where you could be in 20 years, with dividends reinvested (and we'll be conservative, looking at a 9% increase per year), and using the contribution room in your Tax-Free Savings Account (TFSA) at \$63,500, as an example:

Total Value
Number of Shares
Annualized Return

CATEGORY

1. Energy Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. TSX:ENB (Enbridge Inc.)

PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

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