



2 TSX Stocks That Turned \$20,000 Into \$1 Million

Description

The 2010s were dominated by high-growth and technology stocks. It should come as no surprise that the energy and materials-heavy TSX Index failed to keep up with its tech-heavy counterparts in the United States. Indeed, the S&P/TSX Composite Index managed an average annual increase of 3.9% in the 2010s, while the S&P 500 achieved annual returns of over 110%.

Canadian investors who are pursuing big growth have had to be selective. Today, I want to focus on two TSX-listed stocks that were stars in the 2010s. A \$10,000 investment in each of these equities will have turned you into a millionaire by the beginning of 2020. Fortunately, both stocks look poised to be high performers over the course of this decade as well.

Kirkland Lake Gold

Gold stocks started hot in the early 2010s. The global economy was recovering from an immensely damaging financial crisis, and investors were still flocking to the yellow metal as a safe haven. The spot price of gold hit an all-time high of \$1,895 on September 5, 2011. At the time, **Kirkland Lake Gold** (TSX:KL)(NYSE:KL) was a junior miner that operated one small mine in its hometown.

Shares of Kirkland Lake Gold achieved a 10-year total return of 6,780% as at December 31, 2019. A \$10,000 investment in Kirkland Lake Gold would have netted investors \$673,000 in gains at the end of this period. Kirkland's successes really started to ramp up in the back half of the previous decade.

The company entered the big leagues with its 2016 acquisition of the Australian producer Newmarket Gold for \$1 billion. Fast forward four years later, and Kirkland is knocking on the door with a \$4.9 billion deal on the table to purchase the Toronto-based **Detour Gold**.

Towards the end of 2019, I'd suggested that investors should have faith in the [yellow metal ahead of the New Year](#). Gold strengthened to finish the last decade on the back of rising geopolitical tensions, a worsening trade war, and loosening global monetary policy. Kirkland Lake is hovering around 52-week highs but still boasts solid value with a price-to-earnings ratio of 18 and an immaculate balance sheet.

Air Canada

Gold may have been red hot to start the last decade, but the airline industry was in a very different place. The Great Recession had pushed many top airliners to the brink of disaster. **Air Canada** ([TSX:AC](#))(TSX:AC.B) was in a precarious position in 2010. Its stock fell below the \$1 mark in early 2012. However, investors who kept faith in Air Canada have been richly rewarded.

Air Canada achieved a 10-year total return of 3,680% as of close on December 31, 2019. A \$10,000 investment in the airline would have netted investors \$368,000 in total gains. When we add up our two investments in these respective stocks, that brings us to a total of over \$1.04 million.

The company has come back strong in the years since the early 2010s. It has dramatically improved its balance sheet, [improved its market share](#) in the face of rising competition, and maintained stability in the face of labour disputes in recent years. In its most recent third quarter report, Air Canada posted record third-quarter operating revenues of \$5.55 billion.

Air Canada's future looks bright, as demand swells for air travel. In 2018, the International Air Travel Association forecasted that the number of passengers transported by airlines will reach 8.2 billion in 2037 compared to 3.97 billion in 2017.

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