



## Got \$5,000? Make \$100K the Easy Way

### Description

Risky stocks and a volatile market. It can seem like the best place to make some easy money. But if you're a serious investor, this shouldn't be your goal.

Sure, there are definitely going to be stocks out there that could see a quick turnaround. Better still, a new stock that will be the next millionaire-maker is probably out there right now. But unless you've been studying the markets as a professional, there is a far better chance that you will lose a lot of money rather than make a killing in easy money.

Yet just because it's difficult to find a millionaire-maker stock, doesn't mean it has to be difficult to make some serious cash. In fact, you could make \$100,000 in a relatively short time with an investment of only \$5,000.

### Pick an easy stock

You want easy? **Royal Bank of Canada** ([TSX:RY](#))([NYSE:RY](#)) is an [easy choice](#). As Canada's largest bank by market capitalization, Royal Bank has a pretty tight hold on the financial industry. The company has already done the heavy lifting when it comes to expansion, offering investors a diverse portfolio that should see it through a crash like the one we're experiencing today.

Royal Bank currently operates in Canada and the United States, but has also expanded into the Caribbean over the last few years. These emerging markets could prove quite profitable for investors in long term. The company has also set up shop in the wealth and commercial management sector, a highly lucrative industry that should continue to produce cash. In fact, Royal Bank boasts the best return on equity in the industry, with analysts believing it can exceed 30% for some time.

### Easy buy

Another thing going for Royal Bank right now is its stock price. With the recent crash, Royal Bank is about 25% below its fair value price as of writing. That's a significant amount of gains that it could make

within a year's time as the markets start to rebound.

The company has some strong earnings reports to back up this price. It recently beat earnings estimates by 6% and offers a super dividend yield of 5.23% as of writing. That dividend yield has a solid history of payouts, dished out every quarter. So even if the stock doesn't do much now, you're still bringing in cash from this stock. If that isn't easy, I don't know what is.

## Look to the past

If you're wanting to be really convinced of how easy it is with Royal Bank, [look at its history](#). Since the last recession back in 2008, this stock has grown by 180% as of writing, and 267% if you look at its all-time high. The stock is set to surpass that all-time high in the near future, and then keep on sailing from there.

So let's look at the numbers, taking that \$5,000 and reinvesting our dividends. Based on conservative estimates, in 20 years we would have \$109,786.38 with funds reinvested. Now that's easy-peasy.

### CATEGORY

1. Bank Stocks
2. Coronavirus
3. Investing

### TICKERS GLOBAL

1. NYSE:RY (Royal Bank of Canada)
2. TSX:RY (Royal Bank of Canada)

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