



2 Top Stocks That Can Make You a TFSA Millionaire

Description

The Canadian Tax-Free Savings Account (TFSA) celebrated its 10-year anniversary back in January 2019. This registered account has grown into a favourite for many Canadian investors, and with good reason. It offers flexibility and the opportunity to churn out tax-free capital growth and income. In the early days of the account, becoming a TFSA millionaire was a legendary benchmark. Today, I want to discuss why this milestone should not be dismissed as a pipe dream.

Moreover, I want to look at two stocks that can help investors work to reach the goal.

How to become a TFSA millionaire

In late May, I'd discussed how [millennials could become TFSA millionaires](#). When the TFSA was first launched, the annual contribution limit stood at \$5,000 from 2009 to 2012. Some creative traders were able to become TFSA millionaires in this environment, but this involved a lot of good fortune and timing.

Today, the cumulative contribution room in a TFSA for those eligible at launch is \$69,500. An early investment in an explosive stock can vault an investors' TFSA to the million-dollar mark. For example, a \$10,000 investment in **Kirkland Lake Gold** in the beginning of 2010 would have been worth over \$680,000 on December 31, 2019. Today, I want to look at two stocks I'm very bullish on for the rest of the 2020s.

Investing in industries that are on a promising growth trajectory

Last month, I'd [recommended](#) that investors target **ATS Automation** (TSX:ATA). The company provides factory automation solutions to a global client base. Investors would be wise to get in early on the automation boom. A recent MarketsAndMarkets report projected that the industrial control and factory automation market would reach US\$229.3 billion by 2025. This would represent a CAGR of 8.6% from 2020 to the end of the forecast period.

An early investment in automation-linked stocks could provide that push toward becoming a TFSA

millionaire. ATS Automation released its fourth-quarter and full-year fiscal 2020 results on May 27. In fiscal 2020, revenues increased 14% from 2019 to \$1.43 billion. Adjusted basic earnings per share climbed 8% to \$1.06 over \$0.98 in the prior year. Moreover, its Order Bookings rose 4% to \$1.46 billion.

Shares of ATS Automation have dropped 13% month over month as of close on June 11. This presents a solid buying opportunity considering its growth potential. The stock last possessed a favourable price-to-book value of two. It also had an RSI of 37, which puts shares just outside technically oversold territory.

Pay attention to demographic shifts

Those looking to become TFSA millionaires should also pay attention to demographic trends. The developed world is undergoing seismic shifts due to its aging population. **Jamieson Wellness** is well positioned to benefit as aging consumers turn to nutrition and supplements products. Its shares have climbed 70% year over year as of close on June 11.

Revenue at Jamieson increased 16.5% year over year to \$84.5 million in Q1 2020. Jamieson has benefited from strong growth in its international markets, particularly in Asia. The stock is trading close to 52-week highs right now, so opportunistic investors may want to wait on the sidelines. Recent volatility may provide buy-low opportunities that can be very fruitful in a TFSA for the long term.

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Date

2025/06/30

Date Created

2020/06/13

Author

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