



Got \$6,000? Own This Stock for 100 Years

Description

Got \$6,000? That's enough to build a *fortune*. All you need is patience and the right stocks.

If you want to get on the path to financial freedom, pay close attention.

Compound your capital

The [patience](#) part of the equation is critical. Few investments explode in value overnight. What's most effective is compound interest, which plays out over years, even decades. There's a reason why Einstein reportedly called compound interest the most powerful force in existence.

Consider your \$6,000 investment. Let's say you find a stock capable of producing 12% annual returns.

After one year, your stake will be worth \$6,720, a profit of \$720. After year two, your money will grow to \$7,526. Your annual profit totals \$806. This is secret of compound interest! That *longer* your money is invested, the *faster* it grows.

The true magic occurs over decades. After 10 years, your stock investment will reach \$18,600. After two decades, it'll hit \$57,900. Three decades of growth would push your initial \$6,000 investment to \$180,000. That's *30 times* the original sum.

To make that \$6,000 hit \$1 million, it'll take 45 years. That's a long time, but within reach for [young savers](#). But whether you invest for a single decade or many, the important thing is to keep that capital in the market for as long as possible.

Of course, there's one other element missing here: finding companies that can achieve 12% annual returns for decades at a time.

Find stocks like this

Brookfield Infrastructure Partners ([TSX:BIP.UN](#))([NYSE:BIP](#)) is a perfect fit for buy-and-hold

investors looking to take advantage of compound interest. That's because this business is taking advantage of a century-long opportunity: population growth.

The world is growing. You're likely familiar with this fact. In 1900, 1.6 billion people inhabited the planet. In 2000, that figure hit six billion. By the end of the century, the United Nations predicts global populations will reach 11 billion.

Companies that can profit from this powerful trend will win. Brookfield is better positioned than nearly any other stock on the market. That's because it owns assets that *directly benefit* from population growth.

This year, for example, it acquired cell towers in India, data centers in New Zealand, and pipeline infrastructure in North America. More people results in more demand for these projects.

Here's the best part: Brookfield management aims to produce annual returns for equity holders between 12% and 14%. So far, it's *exceeded* those targets.

Since 2009, BIP stock has risen by 404%. The **SPDR S&P 500 ETF Trust**, for comparison, rose by just 132%. These figures don't even include dividends, which Brookfield has paid reliably since its founding. The dividend yield today delivers a 3.5% payout.

Brookfield is particularly well-positioned for future growth. It may even capitalize on the current turmoil, snapping up incredible assets at bargain valuations. Last quarter, the business had \$3 billion of total liquidity with no significant debt maturities over the next five years.

This financial flexibility is already allowing the company to invest throughout the downturn. Last week, it announced that it will build two datacentre facilities in Mexico, anchored by long-term, U.S. dollar-denominated, multi-megawatt agreements.

But it's not the near-term opportunities that should excite shareholders. By repeating a proven strategy, this stock can deliver double-digit returns for decades to come. You can create a fortune with just \$6,000.

CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)

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