



\$20,000 in These Best Canadian Stocks Could Make You a Millionaire

Description

A 50-fold return is ludicrously rare. However, some of the best Canadian stocks have delivered this in recent years. If you'd invested \$20,000 in **Constellation Software** in 2008, you would have a million dollars now. A similar amount in **Shopify** stock invested in 2015 would be worth \$710,000 today.

Even relatively boring stocks, such as **Descartes Systems Group**, have delivered this return, albeit over a longer time horizon (17 years). So, a 50-fold total return isn't as absurd as it might seem.

A 50-fold return

I believe the best indicator of a multi-bagger is the difference between a company's market value and its market *potential*.

For example, enterprise software and e-commerce were both multi-trillion-dollar industries, which is why Constellation Software and Shopify had so much room to grow. Good execution eventually got them there.

Similarly, I believe the next big multi-bagger could emerge in the space tech or health tech industries. Both are monumentally huge and have little to no competition. With that in mind, here are two of the best Canadian stocks that could make you a millionaire before retirement.

Best Canadian growth stocks

WELL Health Technologies ([TSX:WELL](#)) and **Maxar Technologies** ([TSX:MAXR](#))([NYSE:MAXR](#)) are my top picks.

WELL Health's capital-light business model and focus on telemedicine are particularly attractive. The company already has a network of tech-enabled clinics and a wide user base of its cloud-based medical records platform. The global healthcare industry is both unimaginably huge and noticeably ripe for disruption.

WELL Health stock has already delivered a 24-fold return since it was listed five years ago. Another 50-fold return over the next decade or so cannot be ruled out. At the moment, the company is worth \$351 million and is trading at 3.5 times forward sales.

Conversely, Maxar Technologies has destroyed value over the past five years. The company has been shrinking and struggling with a hefty debt burden. However, now its balance sheet seems to have stabilized. By moving its headquarters to the United States, the company has access to U.S. government contracts, which should improve its cash flow.

In other words, Maxar is a turnaround story. But it's a company worth \$1.4 billion in an industry that could be worth more than a trillion by 2040. The company could achieve this by solving its debt issue and winning a few major contracts. Alternatively, a buyout from either a larger competitor or private equity firm could also unlock value.

Either way, this is one of the best Canadian stocks for growth-hungry investors. Investment legend [Michael Burry also owns a stake.](#)

Bottom line

WELL Health and Maxar Technologies are the best Canadian stocks for investors looking to make dramatic returns over the next decade. Both companies are relatively tiny compared to their market potential. They also operate in industries that are difficult to break into, which means competition is less fierce.

A \$20,000 investment in either could turn into a million within a decade.

I already own WELL Health in my portfolio and am seriously considering adding Maxar to my long-term portfolio soon. After all, who doesn't want to be a millionaire?

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NYSE:MAXR (Maxar Technologies)
2. TSX:WELL (WELL Health Technologies Corp.)

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