



Turn Your \$100 Weekly Savings Into \$332,000 and Earn Passive Income, Too

Description

Regular saving is a tough habit to develop. But [saving regularly, even a small amount, can go a long way](#) in accumulating a decent capital for the future. However, merely saving cash will not help in achieving your financial goals. For instance, if you save \$100 a week for 20 years, you'll end up with \$104,000.

But if you invest your \$100 weekly savings in TSX stocks that offer a modest return 10%, you'll have \$332,000 and some change, thanks to the power of compounding. Besides, if your investment is in a company that also pays a decent dividend, you get a steady passive income along with capital appreciation.

It sounds tough, but meeting this goal is easy. All you need is a strict financial discipline to invest \$100 consistently for 20 years. Also, you don't need mastery in stock picking. Choosing among the top TSX stocks is easy and can do the trick. However, if you find difficulty in selecting stocks, here are my top suggestions.

Toronto-Dominion Bank

Toronto-Dominion Bank ([TSX:TD](#))([NYSE:TD](#)) is a natural choice when it comes to growth and income. Barring near-term challenges, the bank has performed exceptionally well over the past several years and continues to outgrow the broader market, as economic activities pick up the pace.

The bank's retail focus operations reduce its exposure to vulnerable sectors. The bank has a large and low-risk retail and commercial deposits base and continues to expand its loan portfolio. While low interest rates remain a challenge, sustained growth in loans and deposits and an improving efficiency ratio should support its payouts and drive the stock higher.

The bank is among the top dividend-paying Canadian corporations and has increased its dividends for 20 years straight. Further, its dividends have grown at 10% annually over the past 20 years. It offers a solid yield of 5.2%, which is safe.

So, if you plan to park your \$100 weekly savings into stocks, Toronto-Dominion Bank should be on your radar.

TC Energy

TC Energy ([TSX:TRP](#))([NYSE:TRP](#)) is another top TSX stock that could continue to chug along nicely and generate steady growth and income for its investors. The company's resilient business model, predictable cash flows, and consistent dividend growth make it a top choice to park your savings.

The company's high utilization of assets, contractual arrangements, and rate-regulated business continue to drive its EBITDA and cash flows. With the gradual increase in economic activities and favourable long-term outlook for energy, TC Energy stock could generate robust growth.

Meanwhile, its dividends are growing at a high single-digit rate, which is encouraging. Further, the company expects to [increase its dividends](#) by 8-10% in fiscal 2021. Meanwhile, it plans to increase dividends further by 5-7% after fiscal 2021.

TC Energy's healthy growth profile, growing dividends, and a juicy yield of 5.4% make it a top long-term investment.

Bottom line

Investing in these TSX gems could help you turn a small weekly investment of \$100 into a significant amount of capital. Besides, both these companies offer safe and steady dividends that continue to grow, leading to a strong passive income along the way.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
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1. Editor's Choice

TICKERS GLOBAL

1. NYSE:TD (The Toronto-Dominion Bank)
2. NYSE:TRP (Tc Energy)
3. TSX:TD (The Toronto-Dominion Bank)
4. TSX:TRP (TC Energy Corporation)

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