



How to Make a Million-Dollar Portfolio Without Giving Up a Night's Sleep

Description

The stock market saw some crazy momentum in the last few weeks, as a group of millennials minted money overnight. The WallStreetBets assembled Redditors and waged a short-squeeze war against hedge funds on the land of **GameStop** and **BlackBerry**. Thousands of Redditors flocked to buy these two stocks, raised the price artificially, and forced hedge funds to square up their short sell. But this trick won't help you make a million-dollar portfolio.

Are you one of those who got lucky and made good money in a short time? Even if you have made some short-term gains, don't get swayed, as you might not win every bet. These short-term gigs are unpredictable with no plausible explanation. Taking risk is not wrong, but jumping off a plane without a parachute is. It's best to keep a back-up plan.

Don't try to make a million-dollar portfolio in a few days

Let's say you played the [GameStop bet](#) in the last week of January. You purchased \$1,000 worth of stocks on January 25 for \$76 and sold it on January 28 for \$193. Your \$1,000 became \$2,540 in just four days. If you sold the stock on January 29 for over \$300, your \$1,000 became \$3,950. And if you did all this through the Tax-Free Savings Account (TFSA), your unprecedented gains are free from taxes.

But don't try to make a million-dollar portfolio in a week. This whole short-squeeze business is the exact opposite of diversification. Putting all your money in one stock comes at a great price. What if you miss out on selling the stock on time? Short-selling is all about timing. One delay, and you lose your money.

But long-term investing is not bound by timing but by quality. All good things take time to build. If you want your million dollars to stay with you for the long term, give your portfolio time and a strong foundation. And if you want to take a risk, take a calculated risk and have enough liquidity, so you don't lose everything in one bet. Find your perfect mix of short- and long-term bets.

A million-dollar portfolio in the making

A million-dollar portfolio stands on four pillars:

- Stocks
- Bonds
- ETFs
- Speculative plays (Bitcoin and short-sale)

How much money you invest in each pillar depends on your risk appetite. For instance, James has set aside \$10,000 for investment. He segregates this amount further; \$1,000 he can afford to lose, \$5,000 he needs next year, and \$4,000 he doesn't need for another five years. Over and above this, he invests \$100 every week in a dividend stock for emergencies.

James made the speculative bet on Gamestop with \$1,000 and converted it into \$4,000. He then used \$1,000 to bet on Bitcoin using a Bitcoin ETF. But he did not increase the amount he put in speculative plays. Whatever gains he makes from speculative bets, he put them in fundamentally strong stocks and ETFs. In his diversified portfolio, any losses from speculative bets are covered by gains from fundamentally strong stocks.

Stock picks for your TFSA

Like James, you can also balance your portfolio. For fundamentals, you can consider **Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)). This high-growth stock has already surged 137% in the last 12 months. The company has the potential to grow in the current decade as it consolidates the fragmented market of small- and mid-sized (SMB) retailers and restaurants.

Lightspeed provides omnichannel solutions that equip SMBs with enterprise-level software to manage orders, payments, and inventory in an efficient, data-driven fashion. Imagine making online purchases from your local mom-and-pop store. These small stores can grow at a faster rate than large retail chains. Lightspeed will benefit from its growth. In the coming years, it will expand its POS platform to different geographies and verticals. It will also broaden its platform modules, creating a three-pronged growth.

Lightspeed aims to become a [global platform](#) for retail and restaurant POS, like Windows for PCs and Android for mobile phones. If it maintains the growth momentum, the stock could become a millionaire maker in the 2030 decade.

CATEGORY

1. Investing
2. Personal Finance
3. Tech Stocks

TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)

2. TSX:LSPD (Lightspeed Commerce)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Investing
2. Personal Finance
3. Tech Stocks

Date

2025/07/08

Date Created

2021/02/11

Author

pujatayal

default watermark

default watermark