



## The Stock Market: How to Turn a \$30,000 TFSA Into \$1,000,000

### Description

Do you want to earn more money in less time? The stock market is the best place to get high returns, and the Tax-Free Savings Account (TFSA) is a good instrument to do it tax efficiently. But if you ask me if you can convert \$30,000 into \$1,000,000 in less than a year, I would say no.

### Is overnight millionaire a myth?

I know many unrealistic numbers have materialized in the stock market in the last four months. Many rookie investors have posted numbers like the 300% rally of **GameStop** in one day and the 800% growth of **Tesla** stock in four months. And I don't deny it. These are correct numbers. But let me tell you, people didn't become rich overnight.

If I tell you Michael Phelps, the most decorated Olympian swimmer, achieved his fame in a few minutes of swimming, you wouldn't believe me. Similarly, if you talk about the WallStreetBets [euphoria](#) as overnight gains, I don't believe it. There was a lot of background work that went into it. WallStreetBets assembled rookie investors and waged a collective buy. The Reddit group did the homework, studied the stocks, understood the short-squeeze concept, followed the news, and then implemented the well-researched plan.

Similarly, if you want to convert \$30,000 into \$1,000,000, buck the trend and invest in high-growth stocks. Do research, study the stocks, follow the news, and realign your TFSA portfolio to get exposure to the growth wave. A good way to identify a growth stock is to look at the company's revenue-growth rate, its potential to tap more growth, and the overall market's growth.

### Lightspeed POS stock

Let's take the case of **Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)), an omnichannel solution for retail and hospitality verticals. This 15-year-old company got the momentum a few years back. More merchants are subscribing to the Lightspeed platform and are also deploying it across all their stores.

The pandemic gave it the perfect environment to brew. Stores needed the Lightspeed platform to abide by the new rules of social distancing. Lightspeed bucked the trend and accelerated its development. It introduced new premium features like Lightspeed Payments and Shipping, where it earns from every transaction that happens on its platform.

Lightspeed still has a vast market share to tap. It is exploring new verticals like golf clubs, expanding in new geographies, and adding new services to increase its revenue per user. Other than this, ResearchAndMarkets expects the global cloud point of sale (POS) market to increase at a compounded annual growth rate (CAGR) of 22.7% between 2018 and 2023.

Lightspeed has immense growth potential in the coming two years. Investors have already priced high-growth expectations, as the stock surged 380% since it started trading on the Toronto Stock Exchange in March 2019. Those who invested \$15,000 in the IPO now have \$71,400 in their TFSAs. The stock has more room to grow, as such is the power of scalability.

## Magna International stock

Another stock that deserves a place in a millionaire's portfolio is **Magna International** ([TSX:MG](#))([NYSE:MGA](#)), Canada's third-largest auto supplier. Although the auto industry's growth is slowing, Magna is tapping the electric vehicle (EV) trend, which has just begun. IHS Markit [expects](#) global EV sales to rise by about 70% in 2021. This growth will come from the government support for EVs in China, Europe, and the United States. They are the world's three largest automotive markets and Magna has a presence in all three.

Magna is working with many tech firms, big and small, on their EV projects by providing auto engineering and production services. It will ride the EV wave as a supplier and a third-party EV maker. Even though Magna has a market share, it is tapping the growth brought by the EV wave.

Magna stock has already surged 50% in four months, but it has room to grow. It is playing a key role in replacing many fuel cars across the globe with EVs. That means strong growth for the next five years.

### CATEGORY

1. Investing
2. Tech Stocks

### POST TAG

1. Editor's Choice

### TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. NYSE:MGA (Magna International Inc.)
3. TSX:LSPD (Lightspeed Commerce)
4. TSX:MG (Magna International Inc.)

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