



## Best Canadian Stocks: How to Grow Your TFSA to \$150,000 by 2025

### Description

Over the last year, Canadians have been buying the best stocks and continuing to take full advantage of the benefits offered by the Tax-Free Savings Account (TFSA).

For those eligible since the TFSA's launch in 2009, the total contribution room as of 2021 is \$75,500. The limit increased by \$6,000 for 2021, and that contribution room will continue to grow following the pace of inflation over the coming years.

There are many benefits to the TFSA, whatever type of investing you want to use it for. It's particularly attractive for [dividend investors](#) because of the tax-free status. Any dividends that are earned inside the TFSA are not subject to tax.

Canadians can therefore invest the full value into more of the best stocks as soon as the funds are received — a crucial benefit and one that will make a significant difference over time thanks to the magic of [compounding interest](#).

Furthermore, any capital gains you earn will be tax-free. So when the time comes to cash out and reinvest the money elsewhere, you'll have the full sum.

### How to grow your TFSA rapidly

If you have a \$75,500 TFSA portfolio today, it's entirely possible to grow that to \$150,000 by 2025, four years from now. Assuming you contribute \$6,000 each of those years, if you can manage to earn a 12.5% compound annual growth rate (CAGR), your portfolio will be worth \$150,000.

Earning a 12.5% CAGR is not simple. However, it's not impossible either.

Several of the best Canadian stocks have earned a 12.5% CAGR over the last decade. While past performance does not guarantee future growth, buying the best companies is a proven long-term investing strategy.

So if you want to grow your TFSA rapidly, here is one of the best Canadian stocks to consider.

## One of the best Canadian stocks to buy now

The best stocks for your TFSA will be ones that grow rapidly and consistently. You want to buy high-growth stocks in registered accounts like the TFSA to save as much tax as possible.

However, it's also paramount these stocks are resilient. If your whole portfolio is focused on high-risk speculations and you lose all that money, there's no way to get that lost contribution room back.

One of the best Canadian stocks to buy and hold for the long-term is **InterRent REIT** ([TSX:IIP.UN](#)). And luckily for investors, the stock is trading at a fairly sizeable discount, making it an attractive investment today.

The main reason to buy InterRent in your TFSA, though, is because it's an incredible [growth stock](#). You wouldn't think that considering it's a residential real estate REIT.

However, over the last decade, InterRent investors have earned a total return of more than 1,000%. That's a CAGR of more than 27%. It's also more than double the 12.5% needed in the example above.

InterRent isn't the only stock that's achieved impressive growth like this, either. Several of the best Canadian stocks offer massive growth potential for your TFSA, as long as you hold for the long run.

There's no guarantee InterRent will continue to grow at this pace. However, it's about finding stocks like InterRent, which are high-quality companies with top-notch operations.

So while there's no guarantee InterRent can't continue this growth for the next decades to come, there's no reason it can't either.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:IIP.UN (InterRent Real Estate Investment Trust)

### PARTNER-FEEDS

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

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