



2 Top TSX Stocks That Turned \$10,000 Into \$250,000 or More!

Description

Have you ever wished that your stock portfolio could beat the **TSX Index**? I know I have (and still do perhaps). Amazing stock pickers like Warren Buffett and Charlie Munger have done it year after year. Yet, any economics professor or investment advisor will probably tell you it is impossible. Rather, they might suggest, just buy a diverse portfolio of [index funds](#) and ride the market. Certainly, this is not a bad approach for many investors. That's true enough, as owning an index is a great way to safely and steadily build wealth over time without too much work.

If you want stocks that beat the TSX, you need to think like Buffett

However, if you are more enterprising and want to emulate Warren Buffett's returns, you also have to think like Warren Buffett. You have to be disciplined, think long term, and control your emotions through the market rollercoaster. Wealth doesn't come by trading or doing lots of activity. Wealth comes by making wise decisions, and sticking with them through the passage of time. As Warren Buffett has said, "An investor should act as though he had a lifetime decision card with just twenty punches on it."

To demonstrate the power of a punch card portfolio that beats the market, here are two top **TSX** stocks that have turned \$10,000 into \$250,000 or more over the past 10 years. While the past is not always predictive of the future, it doesn't mean the past can't repeat itself. These companies have a "secret sauce" that should continue to create value for shareholder now and for a long time forward.

A TSX technology stock of legends

Many have considered **Constellation Software** ([TSX:CSU](#)) as one of the best companies in Canada. Yet, oddly enough, it is not a brand or name you often hear on the street. Had you put \$10,000 into this stock in May 2011, that investment would now be worth \$300,000 (had you re-invested all dividends). That is an average annual total return of 40.5%!

While I was concerned that this TSX stock may not grow at the same pace as previously (simply due to the size and scale of the business now), I still might be wrong. The company is using new methods to allocate capital including spinning-off subsidiaries (i.e., **Topicus.com**) and acquiring larger vertical category businesses. It just came out with very strong first quarter results, and I think this story still has room to run this year and beyond.

An airline stock thriving in the pandemic

Cargojet ([TSX:CJT](#)) is another TSX stock that has earned shareholders exceptional gains. Had you bought and held this stock over the past 10 years, your \$10,000 investment would be worth \$265,000 (dividends re-invested). I still think Cargojet is a great long-term play on e-commerce growth in Canada and North America.

I don't know about you, but I'm receiving more and more **Amazon** packages on my doorstep every day. I especially like it when they arrive by Prime one-day or two-day delivery. In Canada, Cargojet plays a pivotal role in that process. In fact, it has Canada's largest overnight air cargo delivery network.

Cargojet just signed another [long-term contract with Amazon](#). This helps entrench its success with Amazon. Frankly, I don't think you can go too wrong doing that. Cargojet is also branching out into specialty charter flights and new international routes/cross-border transport.

Combine all these factors and this TSX stock is equipped to build value for shareholders for years ahead. The stock has just pulled back so it looks attractive today.

CATEGORY

1. Investing
2. Stocks for Beginners
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TICKERS GLOBAL

1. TSX:CJT (Cargojet Inc.)
2. TSX:CSU (Constellation Software Inc.)

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