



2 Stocks That Can Make You Rich

Description

Have you heard about Chinese bamboo trees? They are one peculiar creation of nature. You water them and fertilize them every day, but they don't even rise to the ground. But if you do that for five years, it will break ground, and then grow 90 feet in five weeks.

For the whole five years, it is building a foundation underground to hold it firm when it grows. Most venture capitalists seek such Chinese bamboo businesses as these are the ones that make them rich.

Investing in Chinese bamboo stocks

When investing in Chinese bamboo stocks, you buy and hold them for a long time. These are the stocks that may not have strong fundamentals or a rich history of growth. But what they have is future growth potential.

These are the companies that are building the technology of tomorrow today. Their products need to land and strengthen their roots so that when the business scales, they are ready to take up the load and grow rapidly.

It is not easy to find a Chinese bamboo stock. Hence, a good strategy is to diversify your portfolio with several future [growth stocks](#). Even if one of the stocks turns out to be the Chinese bamboo, it will cover the losses from other shares and shoot up your portfolio to great heights.

Hive stock

We are in the digital age where internet proliferation is bringing the word to a global platform. The next-generation technologies are smart cities, online payments, autonomous vehicles, augmented reality, and space travel.

In the early 2000s, social media came as a revolutionary technology that brought people worldwide to a single platform **Facebook**. Despite the many security issues, the platform became sticky and grew up to become a trillion-dollar market cap stock.

Hive Blockchain Technologies ([TSXV:HIVE](#)) is eyeing blockchain technology. It is a digital ledger that records transactions in a decentralized form. Everyone in the network can see the ledger and maintain it by validating the transaction.

The [potential](#) for this technology is huge, as it removes the power from the hands of a few and redistributes it to individuals. As nothing is central, it can't be tampered with, nor can anyone hack it.

So far, cryptocurrency is the biggest application of blockchain technology. Hive is one of the oldest blockchain companies mining cryptocurrency for over a decade. The stock remains low most of the time. But when it grows, it surges over 1,000% in five to six months.

It surged over 1,500% between June and November 2017 crypto bubble, then fell over 95%. Its next spring season came in November 2020, when it surged over 1,200% in the four-month crypto bubble.

Hive stock is down 48% from its February high, a perfect time to buy and hold the share for the next crypto season.

Magna

The world's third-largest auto parts supplier **Magna International** ([TSX:MG](#))([NYSE:MGA](#)) is eyeing the electric and autonomous vehicle (EV/AV) revolution. It saw its first growth spree in the 2010-2015 period when it surged over 400%. The next five years saw little to no growth.

But the stock has now started on another growth spree, with new CEO Swamy Kotagiri looking to make Magna an automotive manufacturing solutions provider.

Magna has partnered with **Fisker** to build EVs and is working with Waymo on AV. It aims to become the **TSMC** and Foxconn of automotive. Magna is already working with 23 of the top 25 EV makers and is expanding in [China](#) and Europe, the world's largest automotive markets.

This move to EV has pushed Magna stock up 200% since April 2020. It saw a correction of 15% in the last two months as the automotive recovery slows. Moreover, a semiconductor chip shortage has slowed EV production. But this situation is not permanent.

Magna stock has the potential of a Chinese bamboo growth as major economies promote electrification of vehicles to reduce carbon emission. Its strong fundamentals can help it withstand a slowdown. The EV and AV revolution will drive growth, but you need to wait two to three years.

CATEGORY

1. Investing
2. Tech Stocks
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TICKERS GLOBAL

1. NYSE:MGA (Magna International Inc.)
2. TSX:MG (Magna International Inc.)
3. TSXV:HIVE (Hive Blockchain Technologies)

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