3 Super ETFs to Hold in Your TFSA This Decade

Description

Canadian investors should be selective about the industries they seek exposure to for the long term. In the 2010s, timely investments in the technology, healthcare, and cannabis spaces could have netted Canadians mouth-watering gains. However, even when identifying a growing industry, there is no guarantee that a given company will be able to achieve steady success. Today, I want to look at three exchange-traded funds (ETFs) that offer exposure to fast-growing sectors. These ETFs could be the perfect addition to a Tax-Free Savings Account (TFSA) in the 2020s.

TFSA investors should seek exposure to the changing auto space with this ETF

The automobile space has experienced significant changes since the early 2010s. TFSA investors should be eager to get in on the development of electric vehicles as well as automated vehicle technology. Last year, Allied Market Research estimated that the global EV market was valued at $162 billion. It projected that it would reach $802 billion by 2027. This would represent a CAGR of 22% over the forecast period.

Meanwhile, Facts&Factors estimates that the global autonomous cars market will reach $64 billion by 2026. That would represent a CAGR of 22% from 2020 through to the end of the projected period.

Investors can seek exposure to these industries with the **Evolve Automobile Innovation Index ETF** (TSX:CARS). This fund invests primarily in equities securities of companies that are directly or indirectly involved in developing electric drivetrains, autonomous driving, or network-connected services for automobiles. Shares of this ETF have climbed 19% in 2021 as of mid-afternoon trading on November 18. It is up 45% from the previous year. Some of the top holdings in this ETF include TSX stocks like **Ballard Power** and the U.S. tech firm **Nvidia**.

The crypto market isn’t going anywhere in the 2020s

Bitcoin was officially launched in 2009. In the decade that followed, many more coins have debuted, and the cryptocurrency space has burst into the mainstream. This is a volatile space, but it's one that is geared up for big growth over the next decade. Investors hungry for growth should seek some exposure to crypto in their TFSA.

In early November, the crypto space hit a market cap of $3 trillion. Investors can expect continued expansion, as crypto becomes more available among retail investors and benefits from greater adoption from institutional investors.

Evolve Cryptocurrencies ETF (TSX:ETC) aims to offer indirect exposure to certain cryptocurrencies selected by the Evolve Funds Group. This ETF has increased 39% in the year-to-date period. However, its shares have dipped 11% week over week. Now may be a great time to buy this crypto ETF on the dip.

Why this healthcare ETF is perfect for a TFSA

Health care has been one of the most explosive sectors in North America over the past decade. The COVID-19 pandemic cast a spotlight on this space, which has spurred more investment from the public and private sphere. Indeed, healthcare spending accounted for more than 15% of United States GDP in 2020. Insider Intelligence projected that the market will reach $11.9 trillion by 2022. U.S. national healthcare expenditure reached $3.8 trillion in 2019 and is expected to rise to $6.2 trillion by 2028. Health care can provide big growth in a TFSA.

Investors hungry for healthcare exposure should look to the **First Trust AlphaDEX US Health Care ETF** (TSX:FHH). This ETF seeks to replicate the performance of the StrataQuant Health Care Index. Its shares are up 14% so far this year. The ETF has spiked 7.5% month over month.

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