



New TFSA Room: What Will You Do With \$6,000?

Description

The start of another year brings with it another exciting year for Canadian investors with Tax-Free Savings Accounts (TFSAs). The Canada Revenue Agency (CRA) announced yet another \$6,000 increase to your TFSA contribution room. If you haven't started thinking about which top **TSX** stocks you want to buy, it's about time you start planning your new stock picks.

[TFSA investing](#) with the right stocks is one of the best ways to maximize your wealth growth. After the 2022 update, the cumulative contribution room in TFSAs has reached \$81,500. Make sure that you determine how much available contribution room you have so that you can allocate the appropriate amount to [buy-and-hold assets](#) in your TFSA.

Today, I will discuss two TSX stocks that you could consider adding to your TFSA with the new contribution room.

Dollarama

Dollarama ([TSX:DOL](#)) is an excellent growth stock that you could consider adding to your TFSA portfolio. The \$18.77 billion market capitalization dollar store retail chain headquartered in Montreal has been the leading Canadian retailer for items that cost \$4 or less. It has over 1,000 locations throughout Canada. It has been one of the most impressive companies in the Canadian retail industry.

Despite its stellar growth over the years, it continues to be a good pick for investors seeking long-term growth. The current inflationary environment positions Dollarama stock well to provide its investors with significant near-term value. Consumers flock to chains like Dollarama to get the best bang for their buck, spelling good news for the company.

At writing, Dollarama stock is trading for \$63.20 per share, which could be a steal at its current price.

Galaxy Digital Holdings

Galaxy Digital Holdings ([TSX:GLXY](#)) is an investment in a more speculative space. The \$2.31 billion market capitalization company is headquartered in New York, and it is a part of the cryptocurrency industry. While cryptocurrencies have been extremely volatile, there is a growing interest in this space. Several top cryptocurrencies have outpaced stock markets over the last couple of years.

Adding a crypto stock like Galaxy Digital Holdings could be an excellent way to capitalize on the trend. Remember that gaining exposure to stocks with cryptocurrency-related businesses is a risky move. You have to be prepared to take some losses in the near term if you are bullish about its long-term prospects. As cryptocurrency becomes more mainstream, GLXY stock could provide you with significant upside in the coming years.

At writing, Galaxy Digital Holdings stock is trading for \$23.50 per share.

Foolish takeaway

An increasing number of young Canadians have started prioritizing saving money and begin investing it at an earlier age. The TFSA is a brilliant investment vehicle for money-savvy Canadian investors who want to maximize the returns from their investments. Allocating the available contribution room in your TFSA to high-quality assets with the potential to provide substantial long-term returns is the best way to go.

Remember that there is an inherent risk with any investment in the stock market. However, taking risks with the right assets could prove to be very fruitful for you.

Dollarama stock could be an [excellent addition to your TFSA](#) if you're in search of an asset that can offer superior returns in inflationary environments. Galaxy Digital Holdings stock could be an ideal investment if you are bullish on the cryptocurrency industry's long-term prospects.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:DOL (Dollarama Inc.)
2. TSX:GLXY (Galaxy Digital)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
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