



TFSA Investors: This Stock Could Easily Turn \$47,000 Into \$500,000

Description

The Tax-Free Savings Account (TFSA) gives Canadian stock investors the power to multiply their money fast without worrying about paying taxes on their returns. That's why it's a good idea for [TFSA investors](#) to always keep an eye on the stock market trends and buy fundamentally strong stocks at a big bargain.

Should TFSA investors worry about a market downturn?

The global stock markets are currently facing high volatility due to surging inflation, rising interest rates, fears about slowing economic growth, and increasing geopolitical tensions. It's important to note, however, that these issues are likely to affect short-term stock investors the most. Long-term TFSA investors could largely remain unaffected by the ongoing market turmoil, as these negative factors are unlikely to hurt the long-term outlook of fundamentally strong companies.

If we look at the recent market fall from a different perspective, the recent market selloff has actually opened new opportunities for TFSA investors, as it has made several stocks with a strong fundamental outlook look really cheap. Let's take a look at one such stock that has the potential to multiply your hard-earned TFSA savings fast if you act now.

This stock could help TFSA investors multiply their savings

The recent market weakness has led to a big crash in most high-growth tech stocks. I would, however, still suggest that TFSA investors with a low-risk appetite stay away from popular tech stocks for some time, as the tech sector's extreme volatility could massively increase their risk profile.

As the growth outlook for most metals mining companies remains very strong amid consistently strengthening commodity prices, TFSA investors could focus on mining stocks like **Wesdome Gold Mines** ([TSX:WDO](#)) instead. As its name suggests, it's a Toronto-based gold mining firm with a market cap of about \$1.6 billion. In the last 10 years, this Canadian stock has yielded an outstanding 976% positive return.

This means if TFSA holders invested \$47,000 in WDO stock 10 years ago, their invested money would have turned into more than \$500,000 today. While its past performance looks really impressive, it has the potential to yield even higher returns in the next 10 years. Let me explain why.

Why it's worth buying right now

Notably, Wesdome Gold's total revenue has jumped by 213% in the last five years between 2016 to 2021. A stronger commodity price environment and declining production costs have also helped the company post an outstanding 1,050% jump in its adjusted earnings during the same period. Its consistently improving fundamentals could be one of the reasons why WDO stock has been inching up for the last eight years in a row.

Its [focus](#) on mining high-grade deposits while maintaining low capex, aggressive exploration strategy, and strengthening balance sheet could help the company maintain its solid growth trend in the long run — taking its stock to new heights. Nearly a year ago, Wesdome restarted its Quebec-based Kiena Mine, which should help the company increase its production and financial growth further in the coming years.

Despite these positive financial growth trends and outlook, the recent market selloff has led to a drop in Wesdome stock, as it has dived by nearly 28% in the second quarter so far. Given that, it could be a rare opportunity for TFSA investors to buy this fundamentally strong cheap to see their savings grow at a fast pace.

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2. Stocks for Beginners

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