



How to Create \$100,000 by Investing \$500/Month

Description

Creating substantial wealth is not a difficult task for a disciplined investor. By investing just \$500 monthly in stocks that deliver returns of over 15% per annum, one can create wealth of over \$100,000 by the end of 2030. If you make these investments through a [Tax-Free Savings Account](#) (TFSA), you can save on taxes. Meanwhile, here are my two top picks that can deliver over 15% of returns annually for the next 8.5 years.

BlackBerry

Amid digitization and increased adoption of remote working and learning, the demand for cybersecurity solutions is rising. Given the favourable market condition, I have selected **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)), which offers a wide range of cybersecurity solutions, as my first pick. Given its innovative product offerings, the company continues to resonate with blue-chip companies, despite the growing competition.

BlackBerry also has a solid presence in the automotive sector, with its QNX software running in 215 million vehicles. The growth in the usage of electronic components, such as advanced driver-assistance systems and digital cockpits, in vehicles has driven the demand for BlackBerry's products and services. The IVY platform, which standardizes data from various components to aid developers in building software products that run across brands, could be a substantial growth driver in the coming years.

Given its growth potential, BlackBerry's management expects its revenue from IoT and cybersecurity to grow at a CAGR (compounded annual growth rate) of 20% and 10%, respectively, for the next five years. However, the company currently trades 47% lower than its 52-week high due to the weakness in the technology space and weak third-quarter performance. Given its multiple growth drivers and discounted stock price, I expect the company to deliver multi-fold returns in the long run.

Nuvei

The popularity of digital payments is rising amid e-commerce growth. Meanwhile, Markets and Markets projects the global digital payments market to grow at a CAGR of 15.4% over the next five years to reach US\$180.2 billion by 2026. So, I have selected **Nuvei** ([TSX:NVEI](#))([NASDAQ:NVEI](#)) as my second pick. The payment technology company operates in over 200 markets and supports 150 currencies and 550 alternative payment methods, including cryptocurrencies.

Supported by the expanding product offerings, growing customer base, and acquisitions, Nuvei continues to drive its financials. In the March-ending quarter, the company's revenue grew by 43%, while its adjusted EBITDA increased by 40%. Meanwhile, given its multiple growth drivers, I expect the upward momentum to continue.

The company also services regulated operators in the iGaming space. Amid increased legalization, the company is expanding its presence geographically, with the latest being the entry into Ontario. It is also growing its customer base by adding new regulated operators. So, its growth prospects look healthy. Meanwhile, Nuvei's management expects its revenue and volumes to grow over 30% annually in the near term. Its adjusted EBITDA margin could exceed 50% in the long run.

Amid the recent pullback, Nuvei is down over 70% compared to its September highs. The selloff has also dragged its NTM (next 12 months) [price-to-earnings](#) multiple down to 16.4, making it an attractive buy.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:NVEI (Nuvei Corporation)
2. NYSE:BB (BlackBerry)
3. TSX:BB (BlackBerry)
4. TSX:NVEI (Nuvei Corporation)

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