



1 U.S. Stock to Buy That Could Make You a Millionaire

Description

A millionaire-maker stock is one that has the potential to deliver returns of at least 1,000% to long-term investors. So, a \$100,000 investment in that particular stock should be worth over \$1 million over time.

But it's extremely difficult to identify companies that have the potential to generate market-beating returns for investors. Ideally, these companies should be part of a rapidly expanding addressable market and enjoy a leadership position in the segments in which they operate.

I have shortlisted one such U.S. [tech stock](#) that can help investors create massive wealth in the upcoming decade, **The Trade Desk** ([NASDAQ:TTD](#)). Let's see why TTD stock can make you a millionaire.

A programmatic advertisement leader

The Trade Desk provides a platform for digital advertisement buyers. Its client base includes ad agencies, brands, and technology companies. The TTD platform allows brands and agencies to choose from 500 billion digital ad opportunities each day.

The company has increased its sales 56-fold to US\$1.19 billion from 2016 to 2021. Over the same period, adjusted EBITDA (earnings before interest, tax, depreciation, and amortization) has risen 773% to US\$502.7 million.

TTD forecasts total global ad spending at US\$750 billion in 2022. While linear television accounts for US\$230 billion, and the market for display ads is projected to reach US\$50 billion.

Despite a challenging macro environment, The Trade Desk grew sales by 35% year over year in Q2 2022. Comparatively Meta Platforms, which is the second largest digital ad platform in the world, saw its revenue fall by 1% in the June quarter. Its quite evident that The Trade Desk is becoming indispensable as the default DSP (demand side platform) in the connected TV and open internet space.

During its Q2 earnings release, TTD CEO Jeff Green emphasized, "Throughout the first half of 2022

and particularly in the second quarter, I believe we have gained more market share or grabbed more land than at any period in our history. And in large part, that's because as marketers become more deliberate with their budgets, they are prioritizing advertising that delivers the highest return.”

TTD has a strong balance sheet

The Trade Desk has an enviable growth profile, and is highly profitable and debt free, providing the company with enough flexibility to tide it over during [uncertain market conditions](#). The ad marketer ended Q2 with US\$1.2 billion in cash and is on track to increase cash flows to US\$300 million in 2022.

In addition to a strong balance sheet, TTD stock is also valued at an attractive multiple. Analysts expect its sales to rise 33% to US\$1.6 billion in 2022, valuing the company at 18.9 times forward sales. Comparatively, TTD stock was valued at more than 40 times forward sales in November 2021.

Its forward price-to-earnings multiple is also lower at 61 times compared to over 120 times 10 months ago.

The Foolish takeaway

The Trade Desk stock is down 45% from all-time highs. But it has still returned close to 2,000% since it went public in 2016. The digital marketing automator is a major beneficiary of the secular shift in ad spending towards connected TV.

Over the years, TTD has successfully inked long-term deals with global brands across sectors. The company is well-positioned to expand its client base going forward as analyst forecasts of high growth in digital ad spending should lead customers to increase spending on the TTD platform.

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