



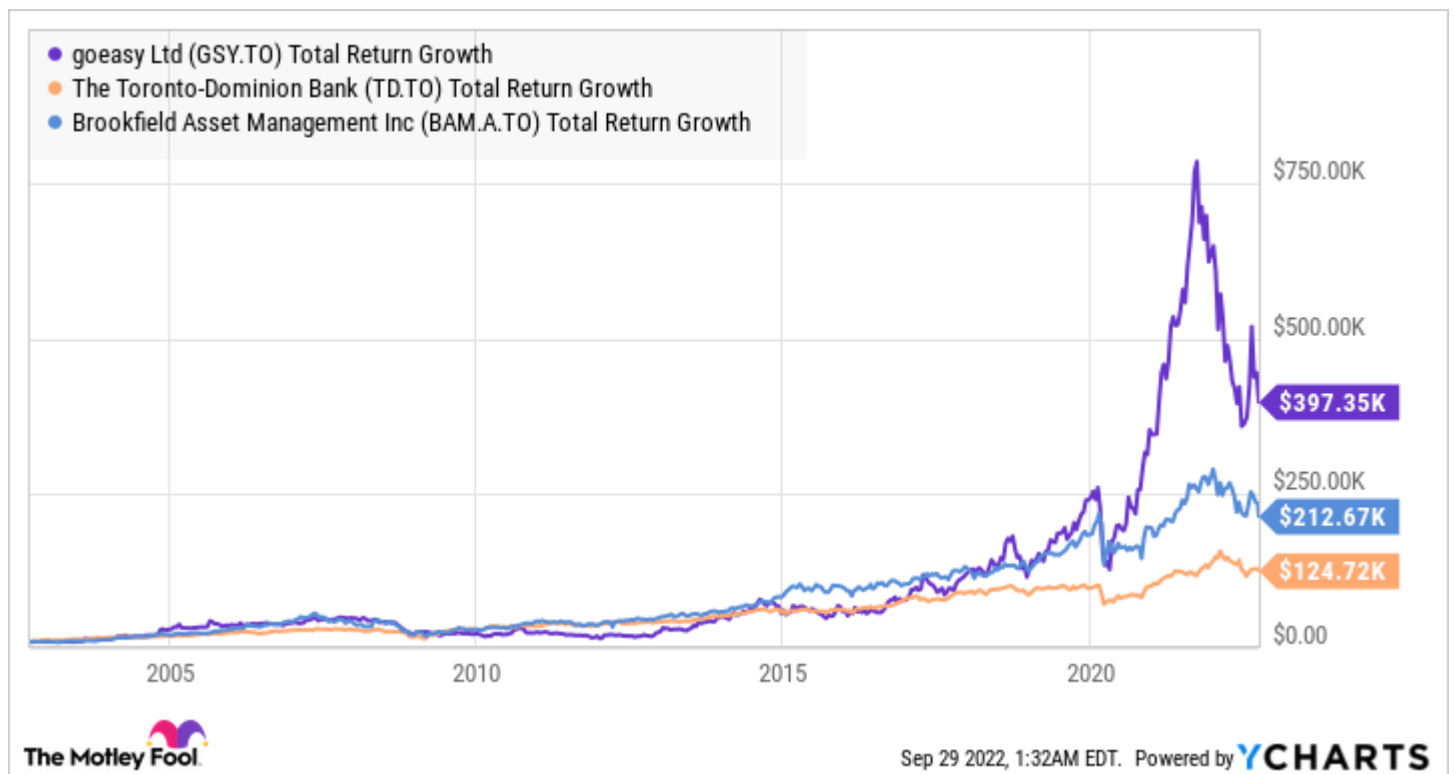
\$5,000 Invested in These 3 Stocks Could Make You Rich Over the Next 20 Years

Description

Even the most experienced investors can feel uneasy in market downturns. However, Foolish investors should keep in mind that the best investments are made during these scary, more volatile, and highly uncertain times.

Other than spacing out your purchases over time, you should also ensure to keep your [portfolio diversified](#). This is why I'd encourage to take a closer look at not one but three stocks for substantial wealth-creation prospects over the long haul.

Here's how they have grown from an initial \$10,000 investment from 20 years ago throughout [market volatility](#). While past returns don't dictate future returns, the former can be indicative of the latter.



GSY, TD, and BAM.A Total Return Level data by YCharts

I'll discuss more about these results below.

A growth stock that's performing poorly right now

Capital tightening in the financial markets and the economy from rising interest rates have triggered a selloff in stocks. For leading Canadian consumer lender **goeasy** ([TSX:GSY](#)), it gets a double whammy from rising rates and high inflation.

At a high level, rising interest rates and high inflation discourage consumer spending, because things are costing more. It costs more to borrow due to higher interest payments. And Canadians get less now with the same dollar a year ago. However, those who need to borrow will borrow. If they're unable to borrow from traditional means, they'll have to borrow through goeasy's services.

Currently, goeasy stock has fallen approximately 46% from its 52-week and all-time high. This gives an opportunity for smart Foolish investors to build a position at an attractive valuation for long-term growth.

At about \$111 per share at writing, the growth stock trades at about 9.5 times blended earnings and is anticipated to experience an earnings-per-share (EPS) growth rate of over 11% annually over the next few years.

While experiencing a wild ride, shareholders should keep in mind that in the last 20 years, an initial GSY stock investment of \$10,000 transformed into \$397,350 for spectacular annualized returns of 20.2%! This approximately doubled investors money every 3.6 years according to the [Rule of 72](#).

Another growth stock that's down

Here's another growth stock that's also down due to gloomy macro factors. Given **Brookfield Asset Management's** (TSX:BAM.A)([NYSE:BAM](#)) reputation of delivering 12-15% return on its investments, the global alternative asset manager should not have any problem raising capital to buy quality assets for marvelous risk-adjusted returns.

Foolish investors will also like that it's diversified with global businesses in real estate, infrastructure, renewable power, private equity, and credit. The growth stock is down about 27% from its 52-week and all-time high. In the last 20 years, an initial investment of \$10,000 in BAM.A stock turned into \$212,670 for outsized annualized returns of 16.5%. This doubled investors money approximately every 4.4 years.

TD Bank stock

If you like more of a larger dividend yield, you can consider buying **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) stock. This macro environment has also been unkind to the leading North American bank. The dividend stock is about 22% cheaper based on its stock price from its 52-week and all-time high. At about \$85 per share at writing, it trades at about 10.3 times earnings and offers a nice yield of 4.2%.

An initial investment of \$10,000 in the blue-chip dividend stock turned into \$124,720 for respectable annualized returns of 13.5% over the last two decades. This approximately doubled investors money every 5.3 years.

The Foolish investor takeaway

I know it can be scary to invest in this kind of [bear market](#). For all we know, we could get even better prices over the next few months. That said, you don't have to go through this alone. We're here to help! Stick to buying [top stocks](#) like goeasy, BAM, and TD at attractive valuations and set your sights for long-term [wealth creation](#), and you should be very happy in 20 years. See you there!

CATEGORY

1. Investing
2. Stocks for Beginners

TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:BN (Brookfield)
4. TSX:GSY (goeasy Ltd.)
5. TSX:TD (The Toronto-Dominion Bank)

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