



No Time to Invest? The Easiest Way to Create a Million-Dollar TFSA

Description

If you want to grow your [TFSA \(Tax-Free Savings Account\)](#) wealth by investing in stocks but don't have enough time to track stock market news and read analytical reports on a regular basis, you're not alone. Most beginner TFSA investors have a perception that they need a lot of time and huge resources to succeed in its stock investing, which prevents them from investing in stocks to multiply their hard-earned savings. However, this perception is far from reality.

In this article, I'll discuss how investors can multiply their savings without much effort to create a million-dollar TFSA.

An easy way to create a million-dollar TFSA

While stock investing has to be done with proper planning, depending on your risk appetite and financial goals, it's not as complicated and time consuming as it might sound at first. If you want to get rich overnight by intraday or short-term trading in stocks, it definitely is full-time work that requires big resources and involves lots of risks. Given that, investing in stocks for the long term could be the best approach for TFSA investors, in my opinion, who don't have time to track everyday market news. Also, if you buy fundamentally strong stocks when they're undervalued and hold them for the long term, you get exposed to a lot less risk than in short-term trading.

Let me quickly explain that with an example.

Let's say you had \$50,000 in your TFSA at the beginning of 2016 and wanted to grow your savings without taking many risks. To do that, you choose to invest 60% of your savings, or \$30,000, in a safe [dividend stock](#) like **Enbridge** and the remaining 40%, or \$20,000, in a high-growth stock like **Shopify** ([TSX:SHOP](#)).

Then if you waited for the next six years, your invested TFSA savings in Enbridge stock would have grown to around \$51,276 by the end of 2021 if you reinvested dividends. More importantly, your invested capital in Shopify stock would have grown to \$978,478 in the same six-year period. Overall, your combined TFSA investment of \$50,000 at the start of 2016 would have grown to well more than a

million dollars by the end of 2021.

Opportunities are still open for TFSA investors

If you think that you've already missed the opportunity to create a million-dollar TFSA, you're wrong. While the recent stock [market crash](#) may look horrifying, the market is always filled with great investment opportunities. In fact, the recent selloff has made many [fundamentally](#) strong stocks look highly [undervalued](#), but they may still have the potential to multiply your money fast in the future.

For example, Shopify stock is currently the worst-performing TSX stock in 2022, as it has seen nearly 80% year-to-date value erosion to trade at just \$36.68 per share. While the ongoing macroeconomic concerns, including inflationary pressures, rising interest rates environment, and geopolitical tensions, can keep its stock [volatile](#) in the near term, these temporary external factors shouldn't affect its future growth potential, as the demand for its innovative e-commerce services is expected to skyrocket in the next decade.

Despite its terrible year-to-date stock performance, Shopify is continuing to strengthen its e-commerce offerings by partnering with global tech giants to [launch](#) innovative services like **Twitter** Shopping and Local Inventory on Google. I expect these efforts to significantly boost Shopify's financial growth rate in the long run and help its stock deliver an outstanding return on investment. Given that, a recent massive drop in such fundamentally growth stocks could be an opportunity for long-term investors to buy them at a big bargain to create a million-dollar TFSA.

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2. Stocks for Beginners

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