



How I'd Invest \$25,000 Today to Aim for \$1 Million

Description

Can you make \$1 million from \$25,000?

The answer is yes, but it may take a lot of time. You may get lucky and hit that mark with a few growth flukes, but it's a high-risk, high-reward opportunity. A smarter idea would be to rely upon businesses that not only have a good growth history but promising future potential as well.

A railway giant

Both Canadian railway giants are good [large-cap stocks](#), especially for capital growth. But **Canadian Pacific Railway (TSX:CP)** stands out by a significant margin. The stock has risen 475% in the last decade, and if you add in the dividend, the overall returns become over 530%. That's about 53% returns a year.

Assuming the stock can continue growing and returning at this pace, you can expect an \$8,000 investment to turn into a massive \$212,000 nest egg in five decades. Even if you are in the middle of your golden years, by that time, the waiting will be worth it. You may be able to improve your lifestyle during your golden years.

The stock may see a jump if its acquisition of an American railway goes through, which may push the potential projection a bit higher. But it may also go the other way.

A professional service company

Some people think that consultancy, professional services, and solutions businesses have an inherent edge over heavy industries — low overhead costs. But companies like **WSP Global (TSX:WSP)** have to invest in other resources — i.e., talented professionals, their education, and training. This is necessary for them to maintain their edge and prevent their consumer base from moving on to a competitor.

WSP Global is a noteworthy investment, and not just because of its business model. It's one of the [top stocks](#) in Canada — a powerful growth stock and a relatively great dividend stock, though its low yield makes it an unappealing dividend investment.

Still, its overall returns in the last decade were over 800% (including dividends), and if we use 80%-a-year returns for its future projections, the stock may have the potential to grow \$8,000 into a massive \$320,000 in the next five decades.

A trucking company

Trucking and other logistics businesses saw enormous growth during the pandemic, with a massive surge in the e-commerce market. Still, **TFI International** ([TSX:TFII](#)) had been growing at a decent pace well before the pandemic became a growth catalyst. It has returned over 820% to its investors in the last decade through its capital appreciation and dividends.

If we average it out for a decade, that's roughly 82% returns a year. Assuming the stock manages that for the next 50 years, you can potentially grow a relatively meagre sum of \$8,000 into a massive \$328,000 nest egg over the years.

TFI International is rapidly growing as one of the most prominent trucking companies in North America and is rapidly growing its footprint, especially in the U.S. and Canada.

Foolish takeaway

With \$24,000 in the three companies, you can get about \$860,000 in five decades, assuming the stocks maintain their returns of the last 10 years for the next 50. That's quite close to the \$1 million mark, and the remaining \$1,000 may be able to fill the gap if we can take advantage of a uniquely powerful surge.

An example would be **Aurora Cannabis's** 44,000% between 2013 and 2018. It could potentially turn your \$1,000 into a whopping \$440,000.

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