



2 Growth Stocks That Could Help You Retire a Millionaire

Description

As an investor who bought tech stocks in the 2020 rally, your portfolio might be bleeding red. The trick is not to get dazzled by the popularity but to study the [fundamentals](#). Most growth stocks have strong demand for their products or solutions in the future. Some growth stocks face a temporary fallback from macro events not under their control. But they have a competitive edge, and their long-term demand remains unaffected. Such shares can make you a millionaire.

Growth stocks for your million-dollar retirement portfolio

When building a retirement portfolio, it is important to hold large-cap stocks that can sustain and grow their business for the next two decades. Such stocks can give you decent returns over the long term but may not make you a millionaire. For that, you need to invest a small portion (around 10% of your portfolio) in high-growth and multi-bagger stocks.

Here are two growth stocks to boost your portfolio's returns.

Nvidia stock

The tech stock selloff has created an opportunity for investors to grab future growth stocks at dirt-cheap prices. **Nvidia** ([NASDAQ:NVDA](#)) stock has lost 63% since its November 2021 peak, wiping away the growth from the crypto bubble.

The crypto hype that began in November 2020 put Nvidia's graphic processing units (GPUs) out of stock, as crypto miners bought them at exorbitant prices. The crypto bubble burst and brought all those GPUs back into the secondary market at lower prices. Moreover, many people upgraded their PCs during the 2020 pandemic, so 2022 PC shipments are falling. To add to the troubles, the United States has restricted exports of artificial intelligence (AI) chips to China.

All three factors have significantly hit Nvidia's gaming and data centre revenue. But this does not stop Nvidia from developing advanced products, as it aims to stay ahead in the technology race. It

continues to collaborate with companies to find new use cases for its AI chips. The stock market has reacted to the demand pull that reduced its GPU revenue by 28% in the [second quarter](#). With time, the second-hand GPU inventory will clear, PC upgrades will return, and tensions between the United States and China might ease.

Nvidia will be one of the facilitators of the 5G, AI, and autonomous vehicle (AV) ecosystem. Nvidia's networking solutions are used in the 5G infrastructure that will connect millions of edge devices to low latency, high-speed internet and enable them to perform AI applications.

Nvidia faced a similar situation in 2018, the year of the United States-China trade war, the crypto bubble burst, and the fall in PC demand. The stock rallied more than 70% the next year. This time, the situation is better than in 2018.

Ballard Power Systems

While Nvidia could double or triple your money, **Ballard Power Systems** ([TSX:BLDP](#)) could grow your money by 1,000-1,500%. The company is working on a technology to make cars run on water. Hydrogen cars are the next big trend if companies succeed in making green hydrogen commercially viable. Green hydrogen technology involves separating hydrogen from water using electrolysis.

Ballard is testing its green hydrogen fuel cell technology on buses, trucks, rails, marines, forklifts, off-road vehicles and stationary power market. When a technology is in the testing phase, it involves significant costs with no revenue. But if Ballard succeeds in making this technology viable, it will have a boatload of orders from its industrial partners that are testing the technology with it.

The potential of green hydrogen is limitless. It could reduce dependence on gasoline, bringing energy security. Here, past fundamentals won't help analyze the company's potential. Hence, invest cautiously, as the stock carries high risks but also has the potential to deliver high returns.

Final thoughts on growth stocks

Nvidia is already in the high-growth phase and could grow your money five- to 10-fold in 10 years. You can buy this stock through your Tax-Free Savings Account ([TFSA](#)), as it extends the tax benefits to U.S. stocks. Having 7-10% of your growth stock portfolio in Nvidia could bring the boost you need to retire early. However, invest less than 5% of your growth portfolio in Ballard Power Systems, as it is a multi-bagger stock and comes with high risk.

CATEGORY

1. Investing
2. Tech Stocks

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3. TSX:BLDP (Ballard Power Systems Inc.)

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