



## 3 High-Growth Stocks That Could Be Worth \$1 Trillion in 10 Years – Or Sooner

### Description

In 2018, **Apple** was marketed as the first stock to reach a trillion-dollar valuation on Nasdaq. [Tech stocks](#) like **Microsoft** and **Amazon** followed. Now the hunt for the next trillion-dollar stocks is on, and there are many contenders. Companies like **Meta**, **Costco**, and **Berkshire Hathaway** come close to the trillion-dollar market cap, but they won't give you the kind of growth you seek. You seek a high-growth stock like **Tesla** ([NASDAQ:TSLA](#)), which was founded in 2003 and became the youngest member of the trillion-dollar club in 2021.

## Three high-growth stocks in the race to \$1 trillion

### Tesla stock

Tesla already got a taste of the trillion-dollar club in December 2021 when its share price was riding the crypto rally and electric vehicle (EV) pent-up demand. However, the stock lost more than 40% in value in the crypto bubble burst and tech stock meltdown and is now trading around a ~US\$690 billion [market cap](#). But this doesn't mean Tesla's valuation was a bubble. It has what it takes to reach US\$1 trillion and sustain it in the next five years.

Governments worldwide are promoting EV adoption to curb CO2 emissions. Biden administration's Inflation Reduction Act [promotes](#) EV adoption and offers incentives for the same. Tesla EVs qualify for the US\$7,500 tax credit as the company makes its cars in America and also sources materials domestically.

Tesla is expanding vertically in the supply chain by making EV batteries, charging infrastructure, and green electricity. The clean tech maker is exploring ways to mine lithium in a greener manner. It has also launched its robot prototype Optimus, which it plans to use in Tesla car production to reduce the overall cost per car.

All these revenue sources are distinct from Elon Musk's dream project of commercializing space travel with SpaceX's reusable rockets. These rockets are still in the test phase, but something commercially

viable could come by 2032. Whether Tesla shareholders benefit from SpaceX's success is difficult to say. But the EV play makes Tesla a trillion-dollar stock of the future.

## Nvidia stock

Before the tech meltdown, **Nvidia** ([NASDAQ:NVDA](#)) was on the road to a trillion dollars, with a US\$795 billion market cap in December 2021. But the crypto bubble burst, a decline in PC shipments, and a ban on artificial intelligence (AI) chips to China pulled down Nvidia's revenue and stock price. The stock lost a 60% valuation in 10 months and now has a market cap of US\$298 billion. Does this mean Nvidia has lost its economic and technical moat? Its graphics processing units (GPUs) are still unmatched in AI, autonomous vehicles (AV), and PC gaming.

The stock market pullback has created an opportunity to buy this stock at a great value. The stock will recover in full swing when the economic environment is conducive for Nvidia's target products. Ten years is a long time for the stock to recover to the US\$795 billion market cap and grow over and above that as AV momentum begins.

Assuming the number of outstanding shares remains unchanged, Nvidia's stock price has to reach US\$401 a share to reach a \$1 trillion valuation. That represents a threefold increase from the current trading price of around US\$120. Going by this math, a \$2,000 investment in Nvidia could become \$6,600 when the stock reaches a trillion-dollar market cap.

## TSMC's trillion-dollar opportunity

**Taiwan Semiconductor Manufacturing Company** ([NYSE:TSM](#)) is another high-growth stock as it has a technical edge over **Intel** in chip manufacturing. TSMC is building a chip plant in the United States to avoid the negative impact of the United States-China trade war. TSMC stock has slipped 41% as weak PC and mobile sales forced it to cut capital expenditures. But it will be the key beneficiary of all hardware revolutions from 5G to AI to EV/AV and robotics.

The stock has a US\$330 billion market cap after reaching a peak of US\$752 billion. It did it last year and can do it again, and even cross \$1 trillion.

## Note to Investors

You can invest in the above US stocks through your Tax-Free Savings Account (TFSA) and enjoy tax-free investment income. I bet Elon Musk would have wanted to own some of his Tesla shares through the TFSA, given the kind of tax liability he faces.

### CATEGORY

1. Investing
2. Tech Stocks

### TICKERS GLOBAL

1. NASDAQ:NVDA (NVIDIA Corporation)

2. NASDAQ:TSLA (Tesla Inc.)
3. NYSE:TSM (Taiwan Semiconductor Manufacturing Company Limited)

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