



## How to Turn a \$20,000 TFSA Into \$200,000

### Description

This month, the federal government announced that the annual contribution limit for the [Tax-Free Savings Account \(TFSA\)](#) would move to \$6,500. That is up from the \$6,000 annual contribution limit that has been set by Justin Trudeau's ruling Liberals from 2019 through to this current year. The cumulative contribution room currently sits at \$81,500. That number will grow to \$88,000 in 2023 for investors who have been eligible to contribute since the TFSA's inception in January 2009.

In this article, I want to discuss an ambitious path forward for Canadian investors who have a far less amount in their TFSA. That said, even a \$20,000 sum is a great starting point for those who are eager to jump on opportunities in a choppy market. Today, I want to look at stocks that could help you turn that \$20,000 into six figures by the end of this decade.

### Here's a growth stock that made fortunes to start this decade

**goeasy** ([TSX:GSY](#)) is the first Canadian stock I want to focus on for TFSA investors. This Mississauga-based company provides non-prime leasing and lending services to consumers in Canada. Shares of goeasy have plunged 30% in 2022 as of close on November 14.

TFSA investors who jumped on this stock during the March 2020 market pullback, spurred by the beginnings of the COVID-19 pandemic, had the opportunity to make a fortune. Shares of goeasy plunged to a low of \$21.08 per share on March 21, 2020. At the time, an investor could have snatched up 237 shares of goeasy stock for just under \$5,000. Let's fast forward to the late summer and early fall of 2021. This stock hit an all-time high of \$218.35 on September 24, 2021.

That purchase of 237 shares at \$21.08 per share for \$4,995 in March 2020 would have been worth \$51,748 by September 2021. That works out to over \$46,000 in tax-free capital gains. TFSA investors should keep [this example](#) in mind as they scour the TSX for value picks right now.

## Don't sleep on the capital that growth and income bank stocks can provide in your TFSA

Bank stocks are worthy targets for your TFSA in any environment. **Bank of Montreal** ([TSX:BMO](#)) and its peers offer a great balance of capital growth and income. This [bank stock](#) has dropped 6.3% in the year-to-date period. Investors can expect to see its final batch of fiscal 2022 earnings in early December.

BMO stock possesses a very favourable [price-to-earnings \(P/E\) ratio of 7.9](#). Better yet, the bank stock offers a quarterly dividend of \$1.39 per share. That represents a solid 4.2% yield.

## This is another stock that could make you a fortune if things break right

**WELL Health Technologies** ([TSX:WELL](#)) is an exciting growth stock that is worth watching closely for its long-term potential. This Vancouver-based company operates as a practitioner that is focused on digital health in North America and around the world. Its shares have plunged 38% in 2022.

The telehealth market delivered huge growth during the COVID-19 pandemic, as health professionals were forced to conduct appointments remotely. This industry is still set to post strong growth in the post-pandemic world. WELL Health posted record quarterly revenues of \$145 million in the third quarter of 2022 — up 47% from the prior year. Meanwhile, its Virtual Services delivered organic growth of 75% from the prior year.

## One more exciting stock I'd stash in my TFSA right now

**Kinaxis** ([TSX:KXS](#)) is the last stock I'd like to zero in on for TFSA investors in the middle of November. This Ottawa-based company provides cloud-based subscription software for supply chain operations in North America and internationally. The tech stock has dropped 10% in 2022.

In the third quarter of 2022, Kinaxis posted total revenue growth of 39% to \$89.4 million. Meanwhile, gross profit jumped 29% to \$55.1 million. The supply chain and operations planning software market is geared up for strong growth going forward. I'd look to snatch up this tech stock, as it offers nice value right now.

### CATEGORY

1. Investing

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1. NYSE:BMO (Bank of Montreal)
2. TSX:BMO (Bank Of Montreal)
3. TSX:GSY (goeasy Ltd.)
4. TSX:KXS (Kinaxis Inc.)

5. TSX:WELL (WELL Health Technologies Corp.)

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