



1 Solid TSX Stock I'd Sink Every Cent I Can Into

Description

Let's be clear right off the bat. I would never actually put every single cent I *had* into one stock. That's ridiculous. It's like putting your mortgage all on one game of Black Jack. That's not what I'm saying here in terms of investing in a **TSX** stock.

No, what I'm recommending is creating a portfolio with your financial advisor. What part of that portfolio will likely include are funds allocated towards equities, and *that's* where I'm recommending you consider putting every cent you can spare.

Because if you do, in the case of this TSX stock, you could be in for decades of wealth. Let me demonstrate.

The 1 TSX stock I'll buy again and again

If there's one TSX stock I'm considering investing in over and over, it has to be **Canadian Pacific Railway (TSX:CP)**. There are two [duopolies](#) in Canada when it comes to railways, but of the two I have to say that CP stock holds my top choice.

There are a few reasons, but let's first look at the history. In the last decade, CP stock has grown substantially in several ways. First off, it's grown its balance sheet. This comes from the reinvigoration efforts by stellar chief executive officers, who chose to cut, cut, and cut some more to create solid cash flow.

But it's been a decade or more since then. Now, CP stock is onto a new path, and that is the path of growth.

Growing as steady as a rail

In the last several years, CP stock has made several moves towards becoming the premiere railway stock of Canada. This includes its [focus on growth](#). The company continues to reinvest in its rail line,

investing in hydrogen-powered rail cars and creating more partnerships, for example.

But of course the top path to growth is the acquisition of **Kansas City Southern**. While we're still waiting on Surface Transportation Board (STB) approval, it looks very likely. This acquisition, when all done and dusted, will turn CP stock into the only railway running from Canada down to Mexico.

Furthermore, it adds on several new destinations that give it access to more revenue. This includes grain, oil, consumer products such as vehicles, and more. All together, this merger creates a massive amount of growth for this TSX stock in the near and distant future.

Add it all up

All considered, CP stock is in a strong position for growth that matches that of the last decade. In that time, shares of CP stock have climbed 528% as of writing. That's a compound annual growth rate (CAGR) of 20.2%!

Given the growth in the future for this TSX stock, I would say it's definitely possible for the company to continue seeing similar growth. So let's say you invested \$10,000 at today's share prices and saw the same amount of growth in the decades to come. That would mean your original investment would grow to \$62,695.70!

Bottom line, if you choose the right TSX stock, you're bound to see shares climb for decades. And in the case of CP stock, that's where I would place my bet.

CATEGORY

1. Investing
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1. TSX:CP (Canadian Pacific Railway)
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