



## How I'd Invest \$25,000 Today to Reach \$1 Million

### Description

It can be hard for many Canadians to see into the future these days. With the Bank of Canada raising interest rates to 4.5%, all we're currently thinking about is how we're going to afford our daily lives! However, given the way the market is performing, I'd say it could potentially be the best time to invest if you want to reach \$1 million.

### Why now?

The **TSX** continues to perform poorly compared to the most recent highs. Shares are down about 5.5% year to date, which is an improvement, sure. However, economists believe we could enter a recession in 2023 that could last halfway through the year. So again, it's hard to invest at these levels believing there could be a further drop.

But here's the thing. The stock market *will* recover. It always does. Look at the past few decades if you don't believe me; it's simply the nature of things. Still, if you want to reach \$1 million, you'll want solid companies that can get you there.

So if you're sitting on \$25,000 right now, look at this as a time to invest at a discount. You can pick up shares in companies you've been dying to own for *years*. And if it were me, these are the top I would choose.

### Top stocks to reach \$1 million

If you want solid growth, that's one thing. But another consideration I would bring to the table is dividends. Those dividends will certainly help you reach \$1 million sooner, as you can use them to reinvest in your shares. So what you want are solid growth stocks that offer dividends, and have for decades.

First up, I would pick up a company like **goeasy** ([TSX:GSY](#)). goeasy has seen record earnings results, including remarkably high loan originations in its most recent report. However, goeasy stock continues

to trade down, 33% year to date! So you can lock in a substantial [opportunity](#), with a 3.17% dividend yield as well. Meanwhile, shares are still up 1,649% in the last decade alone! That's a compound annual growth rate (CAGR) of 33.1%, even after the recent drop.

I would also consider something a bit more stable as well, but still with a large growth opportunity. For this, I would look to **BCE** ([TSX:BCE](#)). As the country's largest telecommunications stock, it offers a substantial growth opportunity with its [5G](#) and fibre networks, but with a larger customer base to support growth. Shares are even with January 2022, but even still BCE provides a deal, and dividends are yielding 5.77%. Plus, shares are up 150% in the last decade for a CAGR of 9.6%.

## Divide and conquer

So let's look at the math here. Let's say you're going to divide your \$25,000 between these two stocks. You're then going to reinvest dividends year after year, in the hopes to eventually reach \$1 million. Here's how that would break down.

COMPANY	RECENT PRICE	NUMBER OF SHARES	DIVIDEND	TOTAL PAYOUT	FREQUENCY
GSY	\$116	108	\$3.64	\$393.12	quarterly
BCE	\$63.45	197	\$3.68	\$724.96	quarterly

As you can see, those investments already bring in \$1,118.08 in passive income per year. That's certainly a lot to reinvest in these stocks. Now if we were to see the same amount of growth that we have in the last decade, and reinvest those dividends, it would take about 14 years to reach \$1 million with dividends reinvested! All from investing just \$25,000.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:BCE (BCE Inc.)
2. TSX:GSY (goeasy Ltd.)

### PARTNER-FEEDS

1. Business Insider
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4. Msn
5. Newscred
6. Quote Media
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