



2 Growth Stocks That Could Help You Retire a Millionaire

Description

What does it mean to be a millionaire? If you have paid off your home, and it rises in value and reaches seven digits by the time you retire, you may technically be a millionaire, even if you don't have \$500 in your retirement accounts.

But if you wish to become the other kind of millionaire — i.e., one with more than a million dollars in liquid assets like cash and stocks, you have to understand the importance of both time and capital. If you have a decent amount in savings by the time you reach your 50s but now only have 10-15 years to grow it to a million or more, it might not be achievable.

However, even if you start investing early in your life but can't spare more than a few hundred each year for investments, you may not reach your retirement goal, even if you have three or four decades of time.

If you have both time and capital, the third ingredient for retiring as a millionaire is the right investments, and there are two [blue-chip stocks](#) you should consider looking into for this purpose.

An industrial stock

As one of the two railway giants in Canada, **Canadian Pacific Railway** ([TSX:CP](#)) can be considered a relatively safe investment choice. And it's about to grow even larger with a merger that will make it the first Canadian Railway to combine three countries: Canada, the U.S., and Mexico. It has always been a decent growth stock.

There have been a few bumps along the road, but in the last decade alone, the stock returned over 400% to its investors (if we don't count the dividends). The total returns, including the dividend, have been over 450%.

But even if that's too ambitious a baseline, let's take half of this growth for projection: 200% price appreciation in the next decade or 20% a year. Assuming the stock keeps this pace up and you see close to 600% growth in the next three decades, that's enough to grow \$75,000 capital into a nest egg

of roughly \$450,000 in 30 years.

An engineering professional services firm

WSP Global ([TSX:WSP](#)) has an impressive international presence and a wide range of expertise, making its business safe via the diversity of its services and geography. As an engineering solution provider, WSP Global is connected to several different industries from infrastructure to the environment.

The stock has seen robust growth in the last decade — over 683% growth in 10 years. That's over 68% a year. If we assume that the stock might keep growing at less than half this pace — 30% a year, you can still achieve exceptional results in three decades.

Let's assume the stock grows 900% in the next 30 years. If you invest \$75,000 now, you may see it grow to \$675,000.

Foolish takeaway

Collectively, the two [large-cap stocks](#) are capable of growing a total of \$150,000 to over \$1.1 million in the next 30 years if they grow half as much as they did in the last decade for the next three decades. And these calculations haven't taken the dividends into account.

You can hit the minimum capital mark by putting away \$15,000 a year in your retirement accounts for a decade. Better yet, grow it using stocks similar to Canadian Pacific and WSP global.

CATEGORY

1. Dividend Stocks
2. Investing

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1. TSX:CP (Canadian Pacific Railway)
2. TSX:WSP (WSP Global)

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