



Retirement Planning: 3 Stocks to Help You Build Wealth Faster and Retire Early

Description

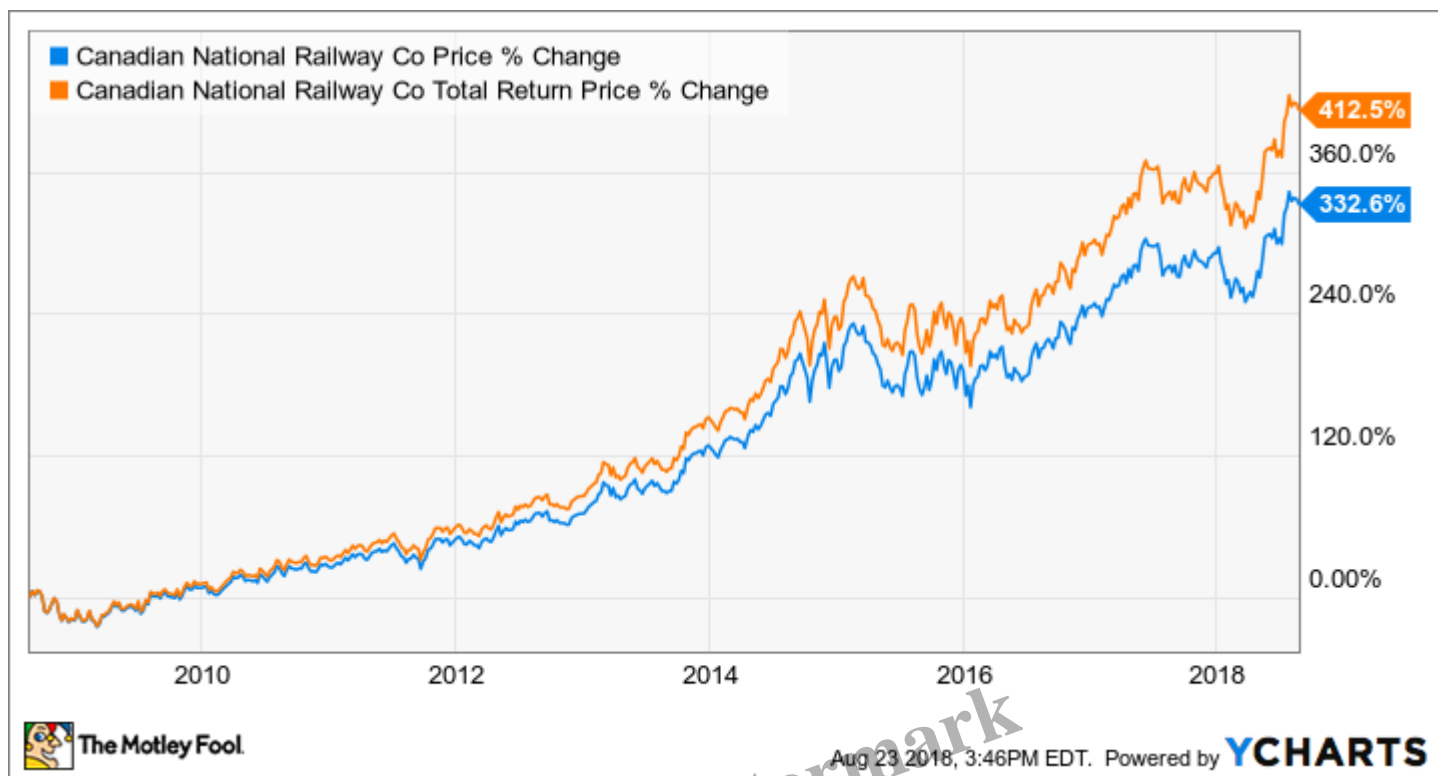
Retirement in Canada doesn't come cheap, which is why you need to build a solid nest egg before you set yourself up for your golden years, more so if you dream of retiring early.

Investing in stocks is one of the best ways to reach that goal. The key is to find top stocks that offer both growth and income potential so that any dividends and returns can compound over time and multiply your returns.

Here are three such stocks that can help you build wealth faster and retire early.

Canadian National Railway ([TSX:CNR](#))([NYSE:CNI](#))

While past performance does not guarantee future returns, you must see Canadian National Railway's astounding returns over the years despite being a cyclical stock.



CNR data by [YCharts](#)

Those returns aren't a fluke: CN has the most expansive rail network in the U.S., is one of the most cost-efficient railroads, and has displayed remarkable agility during difficult times.

A fine example is what's going on at the company right now. Just months ago, CN was facing customers' flak for missing delivery deadlines thanks to acute congestion amid other things. The then-CEO quit and Jean-Jacques Ruest took his place.

[In its most recent quarter](#), the company delivered strong growth under Ruest thanks to accelerated investments in upgrading infrastructure and upgraded its full-year outlook.

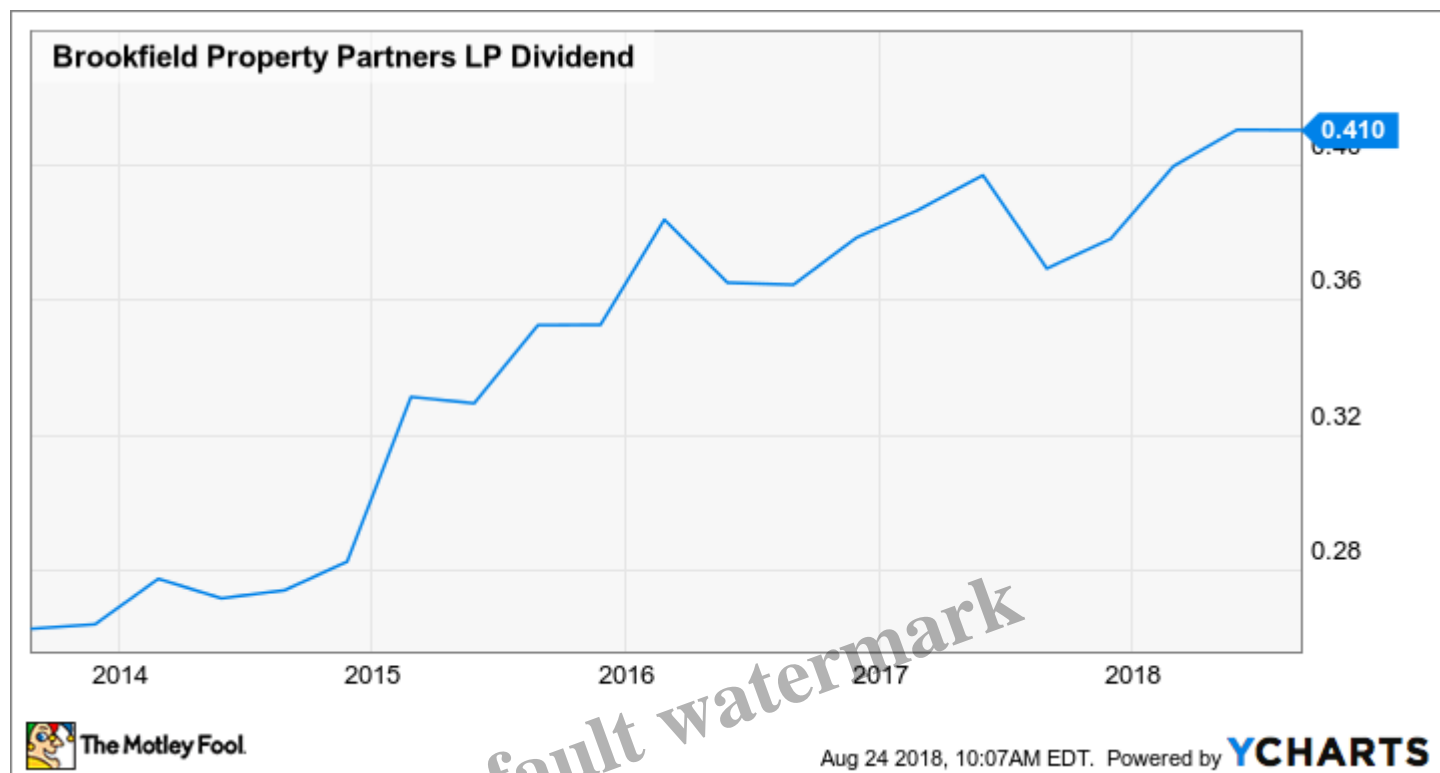
The best part: CN has increased its dividends every year for 22 consecutive years, growing it at a solid compound annual average rate of 16%. This year, shareholders are in for a 10% dividend raise.

That dividend growth explains the difference between Canadian National stock's price returns and total returns in the above chart — a trend that should continue and make you a lot of money in the years to come.

Brookfield Property Partners LP ([TSX:BPY.UN](#))(NASDAQ:BPY)

Brookfield Property Partners, an arm of **Brookfield Asset Management**, is a real estate company with a huge and diverse portfolio of assets comprising offices, retail, hospitality, self-storage, multifamily housing, and industrial properties.

The company typically scouts for high-quality assets at low prices, turns them into cash-minting machines, and often resells them when mature to invest the proceeds opportunistically.



[BPY.UN Dividend](#) data by [YCharts](#)

Since 2014, Brookfield Property Partners has grown its dividends at a compound annual rate of 6% backed by 9% growth in funds from operations (FFO) per share. With management committed to growing FFO by 8-11% through 2022 and dividends by 5-8% in the long term, money invested in the stock should grow manifold over the years.

Toronto-Dominion Bank ([TSX:TD](#))([NYSE:TD](#))

Toronto-Dominion is the fifth largest bank in North America in terms of total assets and boasts a market share of 21% in the Canadian banking industry.

Over the years, TD has [aggressively expanded its retail business](#) through acquisitions and partnerships, especially in the U.S., so much so that it now has more branches in the U.S. and earned nearly \$3.6 billion from U.S. retail in the second quarter, or almost half its Canadian retail business earnings.

Thanks to its retail strategy, TD grew its earnings per share (EPS) at an annual compound rate of nearly 10%, or 8% on an adjusted basis, in the past five years. Its dividends have grown at an equally impressive clip.

In the medium term, TD is targeting 7-10% growth in adjusted EPS and is committed to maintaining a dividend payout ratio of 40-50%. TD's solid foothold in a key industry, dividend growth, and yield of 3.4% should mean solid returns for years to come.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:CNI (Canadian National Railway Company)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:BPY.UN (Brookfield Property Partners)
4. TSX:CNR (Canadian National Railway Company)
5. TSX:TD (The Toronto-Dominion Bank)

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