



2 Stocks to Achieve FIRE (Financial Independence, Retire Early): Telus (TSX:T) and Canada Goose (TSX:GOOS)

Description

If you keep up with the latest headlines, you've probably heard of FIRE (Financial Independence, Retire Early). What started out as a few individuals making a radical lifestyle choice has morphed into a bonafide movement.

It seems North America is fascinated with FIRE. There are blogs, podcasts, and YouTube channels dedicated to FIRE and a reddit group of over 560,000 members. There's even a documentary coming out later this year.

FIRE devotees seek to accumulate adequate streams of passive income that will support their lifestyles for the rest of their lives. Especially popular among millennials, the internet is rife with examples of people in their 30s, 40s and early 50s who have successfully walked away from the 9-to-5 life and plan to never return.

How to FIRE

There are ongoing debates across the internet on the best way to accumulate enough assets to FIRE. Ask 100 people striving for FIRE, and you'll get 100 different perspectives on how to achieve it. One thing they have in common is the necessity to maintain a portfolio that has a mix of stocks that pay consistent dividends and stocks that provide growth.

Two stocks which are excellent choices for a FIRE portfolio are **Telus** ([TSX:T](#))([NYSE:TU](#)) with its steady dividend payout and **Canada Goose Holdings** ([TSX:GOOS](#))([NYSE:GOOS](#)) for its great growth potential.

Telus

Telus, based in Vancouver, is one of Canada's largest telecommunications companies. The company has over 13 million subscribers, including nine million wireless customers. Last year, its revenue topped \$14 billion.

Telus currently pays a dividend of 4.4%. When evaluating potential stocks for a FIRE portfolio, an investor should look for a strong track record of dividend increases. Over the past five years, Telus has [increased its quarterly dividend payments](#) by almost 45%, which represents a compounded annual growth rate of 7.5%.

The price of its shares has been fairly stable over the past 52 weeks, trading between \$43 and \$50. The stock is currently trading at \$49.50, as of this writing.

Although the company's P/E ratio of 18.4 is well above 14.4, the average of Canadian companies, there is no cause for concern. With a strong balance sheet, showing modest debt and growing revenue, Telus makes the cut to include in a FIRE portfolio.

Canada Goose

Canada Goose is one those companies that keeps blowing estimates out of the water. In its latest earnings report, the company's revenue of \$399 million came in above estimates of \$360 million. The company also raised its outlook for fiscal year 2019. Previously, Canada Goose expected annual revenue growth of at least 30% for fiscal 2019. The company has now [raised its estimate](#) to the "mid to high 30s."

The company's outdoor wear has amassed a cult-like following in North America. Canada Goose is trying to duplicate this success with a strong push into the Asian market. The company hopes to capitalize on China's growing desire for high-end luxury apparel and the country's growing interest in winter sports and activities. This is good timing for a winter-weather apparel manufacturer to expand into China as the 2022 Winter Olympics will be held in Beijing.

The company also plans to expand its clothing line with the addition of footwear. Last year, the company announced plans to acquire Canadian outdoor footwear maker Baffin for \$32.5 million.

In the past 52 weeks, the stock has vacillated between \$46 and \$95 per share. It's currently trading at \$74, as of this writing.

Bottom line

With a recent Gallup poll reporting that 70% of employees in North America dislike their jobs, it's no wonder that the FIRE movement has taken hold. Regardless if someone is striving to leave the workforce or just increase their net worth, financial independence is a worthwhile aspiration.

A strong portfolio of consistent dividend-paying stocks and stocks poised for growth make this goal achievable for most investors. With the reliable dividend payout from Telus and the huge growth potential for Canada Goose, these stocks are excellent choices for a FIRE portfolio.

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