



Retirees: 2 Stocks to Make Your Money Last Longer

Description

The predicament of retirees is how to have enough financial resources by the time retirement finally arrives. Planning for the golden years requires an investment strategy. The focus should be to stretch the money invested and receive an unending income stream. Proper execution will result in a worry-free retirement lifestyle.

As an investor or retiree, you can make your money last longer by investing in great stocks that are aligned with your investment strategy. **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) and **Manulife Financial** ([TSX:MFC](#))([NYSE:MFC](#)) can provide and maintain money growth for a lengthy period.

As the earnings of the top-tier utility firm and the global insurer climb, the dividends will increase alongside profits. If you have both stocks in your portfolio, the average dividend yield would be higher than the annual inflation rate. However, in order for the strategy to work, the holding period should be two decades or more.

Wealth for the retiree

Fortis and Manulife can deliver wealth while the retiree is at the receiving end of a steady stream of cash. The dividend yields of the companies some 20 years ago weren't very high. But as the respective businesses grew, dividends grew with them. Had you bought the stocks then, you would have a fat income today.

Seniors or [would-be retirees pick Fortis](#) because of the company's 45 years of dividend growth. The utility firm could not have grown to \$22.8 billion in 134 years if the business operations did not generate profits. But since Fortis endured the test of time and continues to grow, your future gains could be bigger.

Manulife is a time-honoured stock pick. From a life insurance provider, the Canadian company has evolved into a global provider of insurance, financial services, wealth, and asset management solutions. Many lives became better as a result. Today, Manulife is a household name in Canada, Europe, and Asia.

More money for the future

There will be far more money for retirees in the future when invested in dividend-growth stocks like Fortis and Manulife. The money will grow significantly and be able to sustain your retirement living.

The five-year dividend growth of Fortis is 4.49% and the five-year average dividend yield is 3.61%. Manulife is also a reliable dividend-growth company. In 2018, dividends were raised twice. This validates the company's status as a [Dividend Aristocrat](#). The five-year average dividend yield is 3.33% but the going dividend yield is almost 4%.

Retirees shouldn't be impatient and enthusiastically chase after the highest-paying dividend stocks. Fortis and Manulife might not be paying the highest dividends today, but the stocks offer added protection to a retiree's investment.

The best way to stretch your money and build substantial financial reserve is through high-quality dividend stocks. You'll still be financially minted by the time you reach retirement age and can remain invested during your retirement life. Avoid financial scarcity or dislocation with Fortis and Manulife.

CATEGORY

1. Investing
2. Top TSX Stocks

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1. Editor's Choice

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2. NYSE:MFC (Manulife Financial Corporation)
3. TSX:FTS (Fortis Inc.)
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