



2 Top Stocks to Help You Retire Wealthy

Description

Wealth can be defined in many ways, and retiring wealthy is certainly a goal for most investors.

In the end, the objective is to have the funds you need to live a lifestyle that meets your retirement objectives.

Some people hope to buy a cottage, while others might have their eyes fixed on a large sailboat with a plan to travel the world. One person I know intends to live full-time on a cruise ship, leaving all the cooking, cleaning, and navigating to someone else.

Regardless of what wealth means to you, getting to that point likely requires some careful planning and financial discipline.

Setting cash aside in a TFSA or RRSP is certainly a good start, and self-directed investors often turn to reliable dividend stocks to grow their funds. Over the course of 20 or 30 years, the savings can become substantial when dividends are used to buy new shares.

Let's take a look at two stocks that might be attractive picks right now for your [retirement portfolio](#).

Royal Bank of Canada

Royal Bank of Canada ([TSX:RY](#))([NYSE:RY](#)) reported solid fiscal Q2 2019 results when a number of its peers missed earning expectations.

The secret to the company's success lies in its balanced revenue stream with divisions operating in personal banking, commercial banking, wealth management, insurance, capital markets, and investor and treasury services. Being the largest bank in Canada also helps, as Royal Bank has the financial firepower needed to make investments in technology that are required to ensure it remains competitive and profitable.

Royal Bank expects earnings per share to grow at 7-10% per year over the medium term, and

investors should see steady dividend growth continue in that range. The current payout provides a [yield](#) of 3.9%.

A \$10,000 investment in Royal Bank 20 years ago would be worth about \$125,000 today with the dividends reinvested.

Telus

Telus ([TSX:T](#))([NYSE:TU](#)) is one of Canada's leading communications companies with world-class wireless and wireline networks connecting mobile, TV, and internet users to the rest of the country and planet.

Telus doesn't have a media division, which some pundits suggest puts it at a disadvantage. However, the company has instead chosen to invest heavily in its Telus Health initiative, which provides digital solutions to Canadian doctors, hospitals, and insurance companies. The group is already a leader in this emerging market and could grow to generate significant portion of the company's revenue down the road.

Telus is one of Canada's top dividend stocks with a strong track record of generous increases. Investors who buy today can pick up a yield of 4.7%.

A \$10,000 investment in Telus just 15 years ago would be worth more than \$70,000 today with the dividends reinvested.

The bottom line

Retiring wealthy is possible with a bit of planning and some savings discipline. There is no guarantee royal Bank and Telus will generate the same returns, but the companies should be solid buy-and-hold picks, and the strategy of owning quality dividend stocks and investing the distributions in new shares is a proven one.

The TSX Index is home to many top stocks that have generated equal or even better results.

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