Canadians Are Awful at Saving Money: Here’s How You Can Improve

Description

Saving money is easier said than done. At least that’s what statistics are showing in Canada. According to Statistics Canada on December 2018, the household savings rate was only 1.4% over the past year, the worst rate since 2005.

Indeed, Canadians have difficulty saving money. People can improve, however, and allocate more cash for saving than spending.

One suggestion you might consider is investing before spending. If that’s your mindset, you’ll be encouraged to save more. Start distinguishing your essential purchases you’re your useless spending. When you have the money to invest, open a TFSA or something similar.

For starters, you can invest in **Manulife** (TSX:MFC)(NYSE:MFC) or **Rogers Sugar** (TSX:RSI).

People need the products and services of both companies, and both businesses. Once you realize gains from the stocks, you’ll have added funds for savings or for more investments.

Life and health insurer

Manulife is the ideal choice for newbie investors. The $43.47 billion company is a well-known insurer and provider of financial services as well as wealth and asset management.

A company that has been serving customers for more than 100 years, and with more than $1.1 trillion in assets, Manulife is a high-quality investment. Its principal operations in Canada, Asia, and the United States continue to grow.

This life and health insurer also plays a vital role in Canada’s health industry. Manulife is working with the government and healthcare stakeholders towards lowering the cost of medicines. It intends to give 25 million Canadians access to a wide range of benefit plans.

Manulife pays an annual dividend of 4.35% and offers potential capital gain. Would-be investors can maximize returns and grow their savings by reinvesting dividends.

Condiment and diet staple

Sugar companies provide Canadian consumers and industrial customers with a reliable supply of high-quality, low-cost refined sugar. Rogers Sugar is an important player in the industry.

This $556.54 million company contributes to the 1.2 million tons of refined sugar produced in the country annually. Rogers Sugar also engages in refining, packaging, and marketing sugar and maple products through its subsidiary, Lantic.

Despite the slow growth of the sugar business in Canada, Rogers Sugar is showing exceptional fundamentals. Over the past year, earnings grew by 35%, which is more than the annual average for the last five years and better than the industry growth of 16%.

The stock is a highly regarded dividend payer and prospective investors would be rewarded with a juicy 6.78% dividend. Rogers Sugar's current price of $5.28 is well below its true value. The dividends are safe because of the company's sustained profitability.

Investment opportunities

A shift from a spending mindset to an investing mindset can do wonders for your savings. And if you become interested in investing, it can be really fun learning about different companies and watching your money grow.

Saving a little is better than saving nothing. However, you can save more by changing your spending habits or making lifestyle changes.

Limit your purchases to what you can afford, and don't take out loans. If you have less payable, you have plenty of cash for saving.

Don't pass up the opportunity to invest in Manulife or Rogers Sugar. You're buying the stocks to make money and not lose it.

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2. Investing

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2. TSX:MFC (Manulife Financial Corporation)
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Date
2025/08/21
Date Created
2019/08/14
Author
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