



Don't Retire Without Owning This Stock

Description

The [number one](#) retirement mistake is simply not saving enough. The number two mistake is choosing the wrong stocks. Of course, choosing the right stocks is *always* important, but Canadian retirees are often overly conservative. This protects your capital from market gyrations but severely handicaps upside potential.

Here's the secret: there's a stock out there that has huge long-term upside potential *and* the ability to outperform during bear markets. This stock is *perfect* for retirees, especially those worried about inflation chipping away at their nest egg. Did I mention the 4.4% dividend?

Invest in reality

Real assets like gold and silver can protect your portfolio from market volatility and inflation, but there's a catch: these assets produce no income. If you own a certain amount of gold, that's all you'll ever own. It's not like gold can reproduce and grow when locked inside a dark safe.

Instead, retirees should be looking to purchase *real assets*. That includes highways, bridges, ship terminals, and airports. These are incredible assets to own.

First, they protect your portfolio from inflation, for if the price of goods rises, most of these assets can pass cost increases onto customers. Second, they're recession-resistant. Economic activity may dip during a bear market, but governments, businesses, and citizens still need to drive on roads, fly on airplanes, and ship goods via boats.

How do you get exposure to real assets? The only stock you'll ever need is **Brookfield Infrastructure Partners** ([TSX:BIP.UN](#))([NYSE:BIP](#)). It has a respectable 4.4% dividend, but you should be more excited for its upside potential.

Grow with the world

Brookfield Infrastructure is your best bet if you need downside protection but aren't willing to sacrifice long-term gains. After all, retirement hopefully will last for decades. If you stop investing for the long term, you may find yourself running short later in life. That could have terrible consequences.

Because it owns mission-critical infrastructure assets around the world, Brookfield's assets generally rise in value, especially if populations continue to rise. The more demand there is for a terminal, airport, highway, or energy assets, the more they're worth. Because global population growth should persist through at least 2050, it's a good bet that Brookfield's assets will continue to grow more valuable.

As with any asset, there may be dips along the way, but Brookfield has a secret weapon: it's one of the only regular buyers and sellers of major infrastructure assets. When prices are high, Brookfield has the ability to monetize its assets to the highest bidder.

When prices fall, Brookfield can scoop up distressed assets at a steep discount. In many cases throughout the years, Brookfield has exited a position at a hefty premium. The income the asset generates in the meantime helps support the stock's 4.4% dividend.

This really is the ideal stock for Canadian retirees. You get exposure to recession-resistant assets, international diversification, and regular income via dividends. Plus, if markets take a dip, Brookfield has the ability to grow *even stronger* through strategic asset purchases.

Every Canadian retiree needs a stock like this in their portfolio.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)

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