3 Excellent ETFs for Your Retirement Portfolio

Description

If you're a younger investor, saving for retirement is pretty simple. All you have to do is buy strong stocks and leave them alone, because even if there's a dip, you have the time to let that dip pass and still see significant returns.

But if you're nearing or already in retirement, things get a bit trickier. Safety comes first and cost comes second. You can't afford to spend a fortune to get back quick, large returns, and you can't afford to see your investment fall if you're planning to sell those shares soon.

What that leaves you with are investments that have global diversification, with steady gains, operated by a third party that can keep an eye on those investments for you. That's why today I'm recommending exchange-traded funds (ETFs) as the best option. If you'd like to consider them, here are three great choices.

Horizons TSX

If you want little-to-no worry about your investments on the cheap, **Horizons S&P/TSX 60 Index ETF** (TSX:HXT) is a perfect option. This ETF is run by an artificial intelligence program called MIND that scans the S&P/TSX for the top 60 companies on a regular basis, and pops those into the ETF. Basically, you're taking advantage of the S&P/TSX but for a fraction of the price. Then, rather than hoping analysts make the right decision, this ETF relies on data to make its choices.

Since 2010, shares have risen steadily by almost 80% as of writing. That's fairly conservative growth over a decade, but it certainly isn't nothing. And at about $37 per share as of writing, it also means you won't need a huge investment to take advantage of this stock.

iShares S&P/TSX

Another great way to take advantage of the S&P/TSX on the cheap is through **iShares S&P/TSX 60 Index ETF** (TSX:XIU). While the stock is almost a mirror of the S&P/TSX — and that's not always a good thing — it's also seen promising growth in the last decade. This is because the company picks and chooses the S&P/TSX stocks that look the most rewarding with the least risk, providing investors with diversification both by industries and global markets.

On top of that performance, it also means the company isn't being dragged down by the smaller companies that sink during a downturn. That leaves investors with some strong and safer gains, with iShares increasing by 48% in the last decade.

BMO Low Volatility

If you *really* want to be safe and see some steady returns, it doesn't get better than **BMO Low Volatility Canadian Equity ETF** (TSX:ZLB). This company hits all the boxes for what you'll want in retirement: an inexpensive share price, diversification, and incredibly low risk. That's the motto of BMO's ETF: low risk. While you won't see the incredible jumps of other stocks, you can rest assured that your stock also won't tank should the markets plummet overnight.

And it's not as if your shares will be growing at a snail's pace. Since 2012, shares have grown by 126% as of writing. That would make an investment of just $5,000 be worth $11,291.31 today! So, while I would consider all of these ETFs as great options to great a diverse portfolio with promising growth, if you're really wanting to stick to the safe side, BMO is the way to go.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:HXT (Horizons S&p/tsx 60 Index ETF)
2. TSX:XIU (iShares S&P/TSX 60 Index ETF)
3. TSX:ZLB (Bmo Low Volatility Canadian Equity ETF)

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1. Investing

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