



## Young Couples: Here's How to Prepare for a Looming Bear Market

### Description

A young couple building a life together is exciting, especially if the individual partners are working and earning. Savings could double faster, and funds are available to buy dividend stocks to create passive income. But just like everyone else, young couples worry about a bear market.

The signs today are pointing to a bear market. Luckily, there are ways couples could prepare and ride it out. Follow them if you want to survive the horrible scenario.

### Evaluate your financial situation

A good start is to evaluate your financial situation. Redo your monthly budget if necessary while cutting down on spending. It's better to hoard cash for emergency purposes or unforeseen expenses. The key is to know where you stand in case of a bear market.

### Pay down debt

Another helpful way is to pay down some, if not all of your outstanding debts. The earlier you can liquidate, the better. Paying interest on a loan hurts during a bear market. You can add whatever you can save from loan payments to your emergency fund.

### Don't rush to sell your investments

One of the biggest and costly mistakes you can commit is to sell your investments. If you own shares of **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) or **Telus** ([TSX:T](#))([NYSE:TU](#)), for example, stick to the stocks. Both are blue-chip stocks and are proven to deliver decent returns during rough patches.

Fortis is usually the core holding of a couple maintaining a TFSA. This stock can [boost the after-tax income](#) of individuals or couples. As an established and regulated utility company, Fortis has been generating tremendous revenue and profit from its long-term contracts.

In exchange for loyalty, Fortis rewards long-time investors with sustainable and stable income stream. At present, the dividend is 3.41%, but Fortis could increase the payouts moving forward. In its most recent quarterly, Fortis's bottom line grew by an impressive 61%. The full-year 2019 numbers could be higher.

Telus is another profitable company that will not wilt in a bear market. Couples can [maximize the tax-free growth of money in the TFSA](#) by investing in this telecom stock. The 4.71% dividend is one of the highest in the industry. There is potential for capital gains, as the company will produce income in good and bad markets.

Expect short-term price movements during a bear market, but it shouldn't be alarming to prompt you to sell the stock. Despite the threat of recession, market analysts are predicting the price of Telus to soar by 30% in the next 12 months.

The regulated electric business and the telecom industry monopoly are Canada's top money makers. From an investment perspective, Fortis and Telus are dividend machines that would provide young couples with income for decades.

## All-season, long-term holdings

Young couples should be investing in stocks that could outperform all other stocks regardless of the market environment. The regulated electric business and the telecom industry monopoly to where Fortis and Telus belong respectively are Canada's top moneymakers.

From an investment perspective, both are dividend machines that could provide young couples with income for decades. The stocks will keep you in the market for long, even when a bear market comes along.

### CATEGORY

1. Dividend Stocks
2. Investing

### POST TAG

1. Editor's Choice

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2. NYSE:TU (TELUS)
3. TSX:FTS (Fortis Inc.)
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