



## Canadians Are Drowning in Debt! Learn How to Break Free and Invest

### Description

Households are under pressure because spending is rising annually. The math is simple, and a financial crisis will arise if your income is less than your spending. Yet this is something that many Canadians struggle with, with 47% of Canadians stating that they will need to borrow money to cover basic costs in the next year.

If there's potential to free up cash, you have to put that cash away. Putting away money is not only for emergency purposes. It's the start of your journey to prosperity. Taken in this context, you should be looking for outlets to grow your cash. But first, there are steps to put away money for your good.

### Have the right mindset

To become debt-free, you must have the mindset or develop the attitude to free up some cash at every opportunity. If you can save a dollar today, two the next day, then three the following day, and so on, you're building a habit. Soon, you'd be freeing more cash and saving a lot.

### Become debt-free

Find time to analyze your cash outflows and spending habits. If you have a budget in place, work within it but don't go beyond it. By restraining or avoiding useless spending, you'll have money to put away.

Accumulating debt is an obstacle to a life of prosperity. You should prioritize paying off high-interest loans until all are fully liquidated. The only remaining debt for many is a mortgage, which is good debt because you're paying for something that will likely grow in value.

### Let your money earn

The best part comes next. With the money you've put away, use it to buy dividend-paying stocks like **Bank of Montreal** ([TSX:BMO](#))([NYSE:BMO](#)) and **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)). Both are blue-chip

stocks you never have to sell.

Assuming you are able to save \$20,000, you can divide the money equally and invest in a bank (BMO) and a utility company (Fortis). If you lock in with the bank stock for 20 years, your total return could be as high as 715.96%, and your \$10,000 investment would be worth \$81,569.51. With the utility stock, your total return could reach 1,249.71%, and the value of your \$10,000 would be \$134,951.01.

If you can put away \$20,000 every year and repeat the process, you can imagine your net worth by the time you reach retirement age.

BMO pays a dividend of 4.23%, but the real advantage of investing in the bank is its dividend history. It was [the first Canada company to pay dividends](#). The payouts started in 1829 and continue to this day.

Fortis' yield is 3.53%, and the compelling reason to invest in the utility stock is [investment protection](#) against market volatility, economic downturns, and a recession. The electric and gas utility company will continue to generate cash that it will set aside for dividend payments and to invest in growth opportunities.

## Retire wealthy

Growing money and living comfortably for the rest of your life is attainable. Once you form a systematic pattern of saving money, invest in BMO and Fortis. You can lock away your money in these blue-chip stocks and be a wealthy retiree.

### CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. NYSE:FTS (Fortis Inc.)
3. TSX:BMO (Bank Of Montreal)
4. TSX:FTS (Fortis Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

### Category

1. Bank Stocks
2. Dividend Stocks

### 3. Investing

**Date**

2025/08/21

**Date Created**

2019/11/01

**Author**

cliew

default watermark

default watermark