



## Want To Retire Rich? Avoid These 3 Big Blunders

### Description

The time has come: you're approaching your final years on the job. The happy golden years of your life where you live in relaxation through your retirement are almost upon you.

Perhaps you're still in your early forties and you want to gear up for a comfortable life in retirement. The retirement life is worth looking forward to for all the hard work you put in.

I know I am looking forward to mine with plenty of enthusiasm. As hopeful as you should be about your life after retirement, I would also advise some caution. No matter what point in life you are at right now, there are a few crucial mistakes that people make. These errors can result in significant financial consequences – the kind that can affect your life once you stop clocking in on the job.

I am going to highlight three big mistakes that people make during their life so you can avoid them and retire as a wealthy individual.

### Relying on property

No matter what part of the world you live in, we generally assume that owning a home is one of the best securities we can have. There's nothing wrong with wanting to own a property. The problem is when people start relying on their property as the sole source of investment to see them through their retirement.

Canadians are no strangers to issues with the housing markets. The Canadian housing market had a challenging year in 2018 due to the bubble-like conditions that developed in 2017. The year 2018 was characterized by decreasing sales and stumbling pricing of properties, and 2019 featured more of the same.

National home sales kept falling through September 2019 and construction activity was down. Analysts pegged stricter mortgage qualification rules as the cause. The rules were introduced in January 2018, and they had a compounding effect due to the steadily rising interest rates.

I would therefore suggest caution; don't rely on your property as the sole investment for your retirement.

## Saving too little, too late

This mistake is for the people starting their careers or the ones in the midst of it. It's not impossible to start saving for your retirement later in your career, but it is challenging. It's far more comfortable and more effective to start saving earlier in life.

The earlier you start saving money, the lower the amount you need to save every month from reaching substantial figures by the time you retire. A lot of younger people are falling into the trap of pensioner poverty by not saving.

Even if they do save, they either spend their savings on useless expenses or they let the money sit idle. There's a much better way to use your savings.

## Letting your savings sit idle

There are plenty of Canadians, young and old, who manage to save a respectable amount of money. While it is a good thing to save your money, storing in a registered retirement savings plan or tax-free savings account as cash is a huge waste.

Rather than just letting the money sit idle and grow slowly, you should consider investing your money in [dividend-paying stocks](#) like **Canadian Natural Resources Limited** ([TSX:CNQ](#))([NYSE:CNQ](#)).

You should buy the shares and hold them in your TFSA. CNRL is a company with a robust history on the **Toronto Stock Exchange**.

The company's cash flow rose from \$2.5 billion in 2017 to \$4.6 billion this year. June quarterly results showed its net earnings increased from \$982 million in the same period last year to \$2.8 billion in 2019. The company also returned a total of \$849 million to shareholders.

CNRL gave back \$391 million through share buybacks and \$449 million in dividend payouts. With a juicy dividend yield of 4.47%, CNQ will not just increase the total wealth you hold in your TFSA due to its increasing share prices. The company's dividend payouts will add extra cash in your account tax-free for every share.

## Foolish takeaway

If you stop relying solely on the property market, start saving early on, and invest your savings in stocks like CNQ, you could be looking at a promising life in retirement. At the price of \$33.54 per share at writing, [CNRL stocks are affordable right now](#). What more could you ask for?

### CATEGORY

1. Dividend Stocks
2. Energy Stocks

3. Investing

## TICKERS GLOBAL

1. NYSE:CNQ (Canadian Natural Resources)
2. TSX:CNQ (Canadian Natural Resources Limited)

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