



Canadians: Build a Backup Pension the Professional Way

Description

I've met many investors who are worried about how their lives will be during their retirement years. I always keep reminding them that making investments in the right companies right now can make all the difference for them.

One of the best ways you can secure an adequate level of comfort in your retirement days is to emulate the positions that [pension funds](#) in Canada take.

I've taken a detailed look at the types of investments that pension management companies make to determine the best possible course of action for investors worried about retirement.

Alberta Investment Management Company is one of the best companies in this line of work. The company manages funds for several organizations like the Alberta Heritage Fund.

The company has strong positions in both **Suncor Energy Inc** ([TSX:SU](#))([NYSE:SU](#)) and the **Royal Bank of Canada** ([TSX:RY](#))([NYSE:RY](#)) – stocks that are ideal for ensuring a fantastic retirement plan. Let us take a closer look at two of the top investments made by Aimco in the Heritage Fund.

Plenty of energy

Alberta-based Suncor Energy is the [most significant player](#) in Canada's energy sector. Heritage Fund has a penchant for supporting companies based in Alberta, and Suncor makes more than a strong option for them to consider.

The energy company continues to perform well in the sector. Suncor regularly manages to lead the industry thanks to its various initiatives.

The company is investing in the latest technology as it comes along. Suncor focuses on increasing efficiency and cutting down costs. Suncor's approach to operating in the energy sector has allowed the company to maximize profits. Despite uncertainties in the energy sector due to falling oil prices, Suncor remains profitable.

Downstream operations, which include refineries, retail Petro Canada gas stations, and a range of other assets, allow the company to mitigate the falling commodity prices. The way Suncor conducts business enables the company to share its profits with shareholders regularly.

The dividend yield of 3.99% and a share price of \$42.10 at the time of writing make Suncor Energy an ideal company to consider.

Royalty banking

Seeing the Royal Bank of Canada as one of the companies that Heritage Funds heavily invests in should come as no surprise. With over \$100 million invested in the largest bank in Canada, it's safe to say that the company has a lot riding on the banking sector.

The Royal Bank aims to dominate the industry by striving for excellence. We can see that in the results posted by the company. The Royal Bank boasts the most significant or second-largest share in every category of the retail banking market in the country.

Whether it's wealth management or credit cards, Royal Bank is leading its peers. Over 13 million Canadians rely on the bank's services. Beyond the domestic market, RY has also expanded to the United States.

RBC is a major player in the retail banking market in the neighboring country. Almost a quarter of RBC's revenue comes from its business in the U.S.

At writing, RBC is trading at \$109.16 per share and offers a healthy dividend yield of 3.85%.

Foolish takeaway

Both Suncor and Royal Bank are reliable dividend-paying companies. I would suggest considering both of these stocks for your investment portfolio. Reaping from the benefits of capital gains and consistent dividends the companies offer can set you up for a healthy retirement plan.

CATEGORY

1. Bank Stocks
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1. NYSE:RY (Royal Bank of Canada)

2. NYSE:SU (Suncor Energy Inc.)
3. TSX:RY (Royal Bank of Canada)
4. TSX:SU (Suncor Energy Inc.)

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