



## Here's How Much Money Canadians Between Age 35 and 44 Have

### Description

The median net worth of Canadians between the ages of 35 and 44 is insightful. People in this age bracket are approaching the peak earning years. Based on data from Statistics Canada, the trend is that the average net worth of Canadians peaks from ages 55 to 65.

Interestingly, the average net worth goes down when Canadians heading into retirement reach 65 or older. As of 2016, Canadians with ages 35 to 44 have a median net worth of \$219,600 compared with the \$669,500 of the major recipients in the 55 to 64 age bracket. For 65 and older, the median net worth is \$517,100.

The data is relevant because in retirement, you might need less money than you think. It should also motivate you to take retirement planning seriously.

### Increase your net worth

There's a way to buck the trend and increase your net worth after age 65. A blue-chip company like **Royal Bank of Canada** ([TSX:RY](#))([NYSE:RY](#)), or RBC, can be your investment vehicle. **Encana** (TSX:ECA)(NYSE:ECA) is another option, given the bullish sentiment of market analysts and the strong upside potential.

### Best in class

You can [retire rich](#) if your investment is in "the blue chip of all blue-chip companies." RBC is the largest financial institution in the most stable, most robust, and dynamic banking system in the world. This \$155.94 billion banking giant is the ideal backbone of a would-be retiree's portfolio.

RBC is well established and financially sound for more than a century. The bank stock has been paying excellent dividends for almost 150 years as well. No investment can be as stable as this global enterprise that operates in Canada, the U.S., and 40 other countries.

The reputation of RBC is second to none, and you can consider the bank as one of the iconic brands in Canada. As you draw closer to retirement, you'll need the best-in-class stock, which pays a 3.86% dividend. RBC's dividend is also growing at a remarkable pace of over 8% in five years.

## Good but not so good

If you're hoping to increase your average net worth, Encana is hoping to attract more investors. The once oil giant is re-locating to the United States. Although management is saying the move will improve its corporate profile, observers see it as [rebellious against the federal government](#) of Canada.

The stock has risen by 24% a week after the announcement but has fallen to \$5.26 as of this writing. Market analysts are forecasting the price to climb to a median target of \$13.70 to as high as \$21, or an exponential increase of 299% in the next 12 months.

Some shareholders would be voting against the plan. An institutional shareholder with a 4% stake in Encana sees it as "highly discriminatory" against Canadian investors. Data from *Bloomberg*, however, shows that over 70% of Encana's shareholders are in the United States.

Management is bent on proceeding, as it expects to create \$1 billion of additional demand for its shares. The potential capital gain plus the 1.85% dividend could be the attraction.

## Only choice

Encana is worth watching but not an immediate buy. However, Royal Bank of Canada is the logical and only choice if you want to increase your net worth heading into retirement.

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2. TSX:RY (Royal Bank of Canada)

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