



No Savings at 40? Here Are 3 Stocks That Will Help You Retire in Comfort

Description

A survey in late 2019 from the accounting firm BDO Canada Ltd. found that 53% of the over 2,000 polled had little disposable income. Debt was a massive burden for over a quarter of respondents, with 57% of those surveyed were carrying credit card debt. Nearly 40% of those polled said that they had no savings for retirement.

In previous articles, I'd discussed how investors can make up lost ground by [making intelligent financial moves](#). Investors in their middle-age who have struggled to build a nest egg may feel like they have fallen far behind, but with a solid financial plan and discipline over the long-term, a comfortable retirement is well within reach.

Today I want to look at three stocks worth targeting for an investor that is starting out with a medium- to long-term time horizon. Let's dive in.

Hydro One

Utilities proved to be [very reliable](#) in 2019. **Hydro One** ([TSX:H](#)) boasts a monopoly in Ontario, Canada's most populous province. It launched its IPO in late 2015 and had a nice start. However, the promise of rate tightening and internal struggles between its private and public ownership had dogged the stock.

That all changed in 2019, however. Shares of Hydro One have climbed 26% year-over-year as of close on January 9. The stock rode strong earnings and a friendly rate environment to challenge record highs by the end of the previous calendar year.

Hydro One also boasts a quarterly dividend of \$0.2415 per share, representing a 3.8% yield. It has delivered dividend growth in every year since its public listing.

The stock has dropped 3% over the past month, pushing shares outside of technically overbought territory.

National Bank

National Bank ([TSX:NA](#)) was the top-performing bank stock of the Big Six in 2019. It beat out the competition despite being the smallest of the Big Six banks. Shares have climbed 10% over the past three months at the time of this writing.

Bank stocks are sometimes seen as a boring pick, but you really can't go wrong with a bank stock when you're starting with a portfolio. Canada's banks are stable, reliable, and offer an attractive combination of capital growth and income.

National Bank is no different. In 2019 it reported net income of \$2.23 billion, up 4% from the prior year. Diluted earnings per share climbed 7% to \$6.34.

In its Q4 2019 report, National Bank increased its quarterly dividend of \$0.71 per share, which represents a 3.9% yield.

Park Lawn

Park Lawn ([TSX:PLC](#)) is a long-term play that I love to start out this decade. The company is a cremation and cemetery provider that operates in North America and the fastest-growing company in its respective industry on the continent. The stock has climbed 28% year-over-year as of close on January 9.

In the third quarter, Park Lawn reported revenue of \$178 million in the year-to-date period, which represented 58.2% growth from the prior year. Adjusted net earnings climbed 57.9% to \$17.5 million and adjusted EBITDA surged 70.2% to \$39.8 million. It also made two solid U.S.-based acquisitions in October.

Park Lawn offers up a monthly dividend payout of \$0.038 per share, which represents a modest 1.5% yield. The dividend is a nice boon, but Park Lawn's growth potential as a major player in a booming industry are what makes it stand out to start 2020.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:H (Hydro One Limited)
2. TSX:NA (National Bank of Canada)
3. TSX:PLC (Park Lawn Corporation)

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