



Almost 50% of Canadians Think They Will Outlive Their Money: Prevent it by Investing

Description

Everybody fears the impact of a recession. When it comes to retirees in particular, an economic downturn can be quite alarming. It can be a source of despair for them, because it can affect their retirement income.

According to a study conducted by **Sun Life Financial** in 2019 called the Sun Life Barometer, preparing for retirement is becoming a significant source of concern for Canadians. The survey found that nearly half of all the working Canadians believe there is a severe risk that they can outlive their retirement funds.

Sun Life Barometer survey

The study conducted based on the findings of an Ipsos poll between March 28 and April 3, 2019, studied the responses from 2,901 Canadians. It consisted of 2,151 working Canadians aged between 20 and 64 as well as 750 Canadians in retirement age between 55 and 80. The Ipsos poll found more alarming information besides half of Canadians believing they will outlive their money.

The poll found that it is quite common for [Canadian retirees](#) to describe their lifestyle as being frugal, with 23% Canadian retirees feeling their lives are more straightforward than what they expected. 72% of the retirees in the survey said that even after refraining from spending money on non-essentials and following a strict budget left them with a life in retirement much different from what they were expecting.

Securing a better financial standing in retirement

To make sure you do not outlive your retirement savings, you need to ensure you have substantial funds set aside for the best years of your life. During the years you work, managing your finances smartly will allow you to accumulate a significant amount in savings. Instead of letting the savings sit as cash in a retirement account, you can use the money to make more money for you.

Utilize the money you have put aside to invest in high-yield dividend-paying stocks that can grow your wealth at a faster rate. Letting the money sit idle will waste a lot of potential for increasing your wealth to a more desirable amount when you hit retirement.

Suncor Energy ([TSX:SU](#))([NYSE:SU](#)) is a top choice for many retirees and dividend investors looking for a more financially secure future. The company operates in Canada's energy sector. It is one of the two energy industry companies where the value investor's conglomerate has equity holdings.

[Warren Buffett himself has substantial shares](#) in Suncor stock. Suncor is a reliable dividend-paying stock, and it holds a lot of value as well. The company shields your investment from an economic downturn thanks to its integrated structure. Suncor is continually growing its energy portfolio, investing heavily in renewable energy projects as it prepares for the future.

The company is expected to grow by 9.5% in the next five years between its growth in renewable and traditional energy operations. Analysts predict excellent capital gains in the coming months.

Foolish takeaway

Trading for \$43.96 per share at the time of writing, Suncor stock is up by almost 20% from its 52-week low in August 2019. The company pays its shareholders dividends at a yield of 3.82%. Considering good prospects for growth, recession insulation, and reliable dividend payouts, I think Suncor can become a vital part of your investment portfolio.

I think that buying and holding high-yield stocks like Suncor can help you ensure a stress-free life in retirement with plenty of cash to spend.

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