



## Retirees: Do You Want Retirement Income Every Year and Forever?

### Description

Do you have cash savings of \$200,000 that are sitting idly in the bank? If you do, the amount is sufficient to provide you with close to \$10,000 retirement income every year and forever. But that is just the tip of the iceberg. If you have more savings, your income for life can be so much more.

Remember that only you can control how much you save. Thus, the amount of retirement income depends on how fast you can build your savings. The next step is to invest the money in assets that can generate better long-term results than other investment choices.

### Bank aristocrat

**Royal Bank of Canada** ([TSX:RY](#))([NYSE:RY](#)), the largest bank in Canada by market capitalization, is the proverbial forever asset. Every Canadian investor is familiar with this bank and well aware of its stability as an institution. Its history dates back to 1864 and it has a 150-year track record of dividend payments.

Last year was the weakest year since 2016 for the Big Five banks in Canada in terms of earnings. But despite the headwinds, RBC was able to post a gain of 10.34% in a sluggish 2019. Some analysts think that Canadian banks, specifically RBC, are better choices than American counterparts.

The low interest rate environment is harsh for banks, but RBC remains [a top choice for long-term and income investors](#). It's operating in a monopoly-like industry and is as dependable as a utility company. Growth opportunities are plenty because of its resources and global presence.

### Energy aristocrat

Some of the ideal income stocks can be found in the energy sector. Of the 101 Dividend Aristocrats listed in 2019, 8.9% come from the energy sector. The [top energy](#) aristocrat is none other than **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)).

Aside from the high 5.9% dividend, this \$108.9 billion energy giant has a dividend-growth streak of a quarter of a century. All through those 25 years, Enbridge has been raking in billions of dollars in revenue and generating consistent cash flows from multiple sources.

The company is an energy powerhouse that takes advantage of every business opportunity. More gas is being extracted as a result of the booming natural gas. Line replacement projects are growing, and the business of transporting energy is as vibrant as ever.

Since Enbridge derives the vast majority of its revenue by transporting energy and not producing it, there's outright insulation from commodity price fluctuations. Also, with the company operating in a regulated monopoly, the business model will eternally be low risk, too.

## Lifetime wealth

Let me give you an idea of the potential retirement income from Royal Bank of Canada and Enbridge from \$200,000 in savings. With the 4.92% average dividend yield \$100,000 allocation in each stock, the yearly/forever income comes out to \$9,840.

The buy-and-hold strategy or position trading works best with high-quality stocks like RBC and Enbridge. Generally, buy-and-hold stocks can ride out temporary market downswings, outperform the market, and deliver a higher rate of return over the long term. Investing in RBC and Enbridge can make you a recipient of lifetime wealth.

### CATEGORY

1. Bank Stocks
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### POST TAG

1. Editor's Choice

### TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. NYSE:RY (Royal Bank of Canada)
3. TSX:ENB (Enbridge Inc.)
4. TSX:RY (Royal Bank of Canada)

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