



How to Make Your \$2,000 CERB Payment Work for You

Description

Canadians are getting much-needed relief from the coronavirus pandemic in the form of direct cash payments. The Canada Emergency Response Benefit, commonly referred to as the CERB payment, is worth \$2,000 per person, although there are some catches.

In order to qualify for the cash payout, you need to be a resident of Canada, have a social insurance number, be at least 15 years old and have earned at least \$5,000 over the past year.

According to the *Financial Post*, "The benefit is \$2,000 every four weeks (or \$500 a week) for up to 16 weeks and covers the period from March 15 to October 3. To date, more than six million Canadians have applied for CERB."

Many Canadians are using their CERB payments to meet daily expenses — the primary goal of the program. But if you're lucky, you may have some money left over, making this is a prime [opportunity](#) to invest.

There's just one catch: where should you invest your cash? The reason the CERB payments are necessary is because the economy is in free-fall. Millions of Canadians are out of work. Social distancing could last months, even years. The oil price [collapse](#), meanwhile, could add even more long-term pressure.

If you want to invest your leftover CERB payment, here's what to do.

Keep it simple

Long-term investors almost always win. Just take a look at legendary investors like Warren Buffett, Ray Dalio, and Prem Watsa. Their fortunes weren't made overnight. Instead, they were built over *decades*. You should follow the same playbook with your CERB payment.

If you maintain a long-term view, it's almost always a good time to be investing. Just pull up a chart of the **S&P 500 Index**. Every single recession has been a giant buying opportunity, whether you bought

at the absolute bottom or absolute top. Timing the market isn't necessarily when you think in terms of decades, not months.

If you're nervous about where to invest your CERB payment, relax. At the very least, you should stash it in an index fund that tracks the overall market. While this isn't the flashiest option, it ensures that your money gets into the market.

While you won't time things perfectly, there's a great chance you'll come away with a profit a few years down the road. But keeping things simple isn't a requirement. If you want to *beat* the market, you'll need to pick your investments wisely.

Leverage your CERB payment

There are dozens of stocks worth buying today, and many are egregiously priced. Just look at **Brookfield Property Partners LP**. This company owns some of the best real estate in the world, yet trades at a 75% *discount*-to-book value. If you want to take advantage of the downturn, find stocks like this.

But one thing is certain: don't invest your CERB payment expecting immediate returns. Incredible investments can be made this month, but those investments still need to be long-term bets.

The most important thing is to ensure that you can meet your daily financial needs. Then, if possible, get any remaining money invested in the right stocks. After that, all you need is patience.

CATEGORY

1. Coronavirus
2. Investing

PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

Category

1. Coronavirus
2. Investing

Date

2025/08/26

Date Created

2020/05/13

Author

rvanzo

default watermark