



Lost Some of Your Retirement Fund? Do These 3 Things

Description

Did the COVID-19 pandemic also create a [retirement crisis](#)? I suppose it did because the value of investments is shrinking. The situation is worrying when retirement assets are under threat. It can trigger panic among retirees whose first instinct is to sell all stocks and seek the safety of cash.

However, it's not always the best option because your money will stop growing. Losses are inevitable when the market is declining. There are ways to mitigate the risk and get back some of your savings or retirement fund.

Diversify

Diversification is one of the proven strategies to [protect your investment](#). When you diversify, you spread out the risks. Also, it's not in the number of holdings or types of assets, but in the sectors in which you invest. If one industry takes a hit, it doesn't mean the others will also suffer.

Move to stable sectors

If your stocks are losing money, rebalance your portfolio and move to stable sectors. Right now, I would say the communications services sector is a safe and resilient. My choice would be **TELUS** ([TSX:T](#))([NYSE:TU](#)).

Telecoms are providing essential services, especially during lockdowns, and people are staying home to conduct personal and business affairs. This \$29.5 billion company is now the second-largest in Canada's telecom industry.

You can own shares of TELUS at less than \$25 per share. The dividend yield is an appealing 5.07%. A \$50,000 investment should generate \$2,535 in passive income. If your investment horizon is 15 years, your savings will be worth nearly \$105,000.

TELUS is trailblazing and setting the benchmark in the near-monopolistic industry. The recently

launched TELUS PureFibre 1.5 gigabit boasts of blistering fast speed. Office and home users will have lightning-fast connections, especially during peak hours.

The company generates \$14.8 billion in annual revenue from various services such as wireless, data, IP, voice, television, entertainment, video and security. The customer base is about 15.3 million.

Ride out the crisis

The only time you will sell your stocks is when the company can no longer ensure long-term stability. It will decimate your retirement savings some more and ruin your financial goals.

However, if you've done the first two things, you're in a better position to ride out the crisis. Keep in mind that protecting capital takes precedence over chasing income in unusual events like today.

You won't be too hung up if you can diversify, rebalance your portfolio and move your money to a stable investment. The short-term dip in share prices won't keep you on edge. You're still on the right path toward retirement

Investments like TELUS will provide higher returns, bigger profits, and stable income stream over the long run. Similarly, demand for telecommunications services will continually rise and never wane for decades to come.

Smooth sailing

The market ups and downs should continue while COVID-19 is still around. Once economies eventually recover, the investment landscape will be less volatile.

Meanwhile, you did not hinder the growth of your retirement savings. In due time, you will decide to call it quits after averting a major retirement crisis.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:TU (TELUS)
2. TSX:T (TELUS)

PARTNER-FEEDS

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

Category

1. Dividend Stocks
2. Investing

Date

2025/08/05

Date Created

2020/06/18

Author

cliew

default watermark

default watermark