



CPP & OAS Retirees: Boost Your Income Today

Description

Are you are counting on your annual lifetime pension of \$15,436.80 from the Old Age Security (OAS) and Canada Pension Plan (CPP) to fund your retirement? Then you need to start investing in the stock market using a Tax-Free Savings Account (TFSA) or RRSP.

In addition, you might want to [consider relocating overseas](#). Many Canadians are retiring overseas to countries like Ecuador. I know because I live in Ecuador with many Canadian retirees. In fact, I'm surrounded by them, and I love it.

Many of them live in the city of Cuenca or a little town called Vilcabamba in Southern Ecuador near Peru. What's the appeal?

A cheap cost of living that is perfect for the average Canadian retiree living on a fixed income.

Your estimated monthly payment of around \$613.53 from the OAS and the \$672.87 from the CPP will keep you living comfortably in this country. You can rent a nice house for less than \$400 per month. There's even a mansion renting here for \$550 per month!

Still, it is always a good idea to save for retirement even when you have affordable overseas options available to you. Everyone wants to retire in style and you'll still be on a pretty tight budget if you plan to live solely on your pension payments.

The stock market might seem risky right now given the COVID-19 induced volatility this year. Nevertheless, this is the best time to begin your investing journey. The returns you earn when buying stocks near market lows are higher over the long run than when you buy at the height of a bull run.

The old adage of buying low and selling high means that you need to embrace risk and uncertainty with a long-term mindset. Don't give into fear by staying out of the **Toronto Stock Exchange** right now.

Supplement OAS & CPP with dividend stocks

Your best bet is to find aristocrat dividend payers with stable price histories. Bank stocks might seem risky given the talk about higher default rates during the COVID-19 pandemic.

Nevertheless, Canadian banks are some of the safest in the world. The world may have been shocked by the global financial crisis in 2007, but Canada hasn't had a banking crisis since 1840.

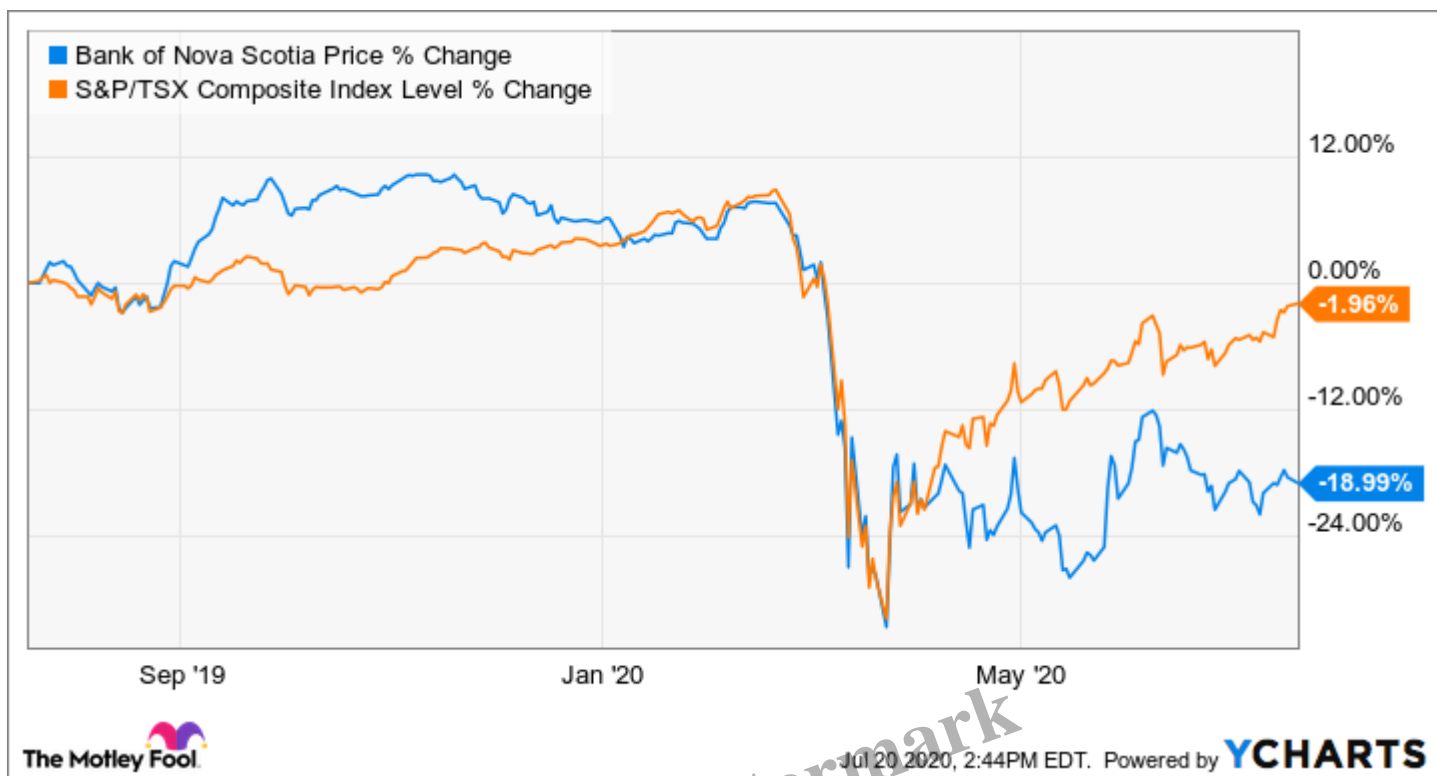
Further, Canadian banks prioritize maintaining a reliable dividend history. Dividends are a great way to supplement your OAS and CPP income.

Bank of Nova Scotia ([TSX:BNS](#))([NYSE:BNS](#)) is one of the best stocks to buy to add to your retirement income. Bank of Nova Scotia has been issuing dividends since 1833. The dividend yield is 6.41% at the current share price of around \$56.

Bank stocks have been hard hit this year. The great news is that they seem to have found some price support since the initial March market selloff.



The **S&P/TSX Composite Index** is down 2% over the past 12 months. By comparison, the Bank of Nova Scotia is down 19%.



Moreover, Bank of Nova Scotia stock tends to have only brief downturns before it rebounds. During the financial crisis, the stock recovered its pre-crisis value in only a few years. Even better: shareholders still received dividend payments.

Save for retirement

Don't stress about your retirement options. Formulate a game plan and start acting on it. Life is too short to worry.

That's why you should stay fearless in this market environment and start investing to supplement your CPP and OAS payments. Bank stocks wield substantial market power. This market power translates into profit for shareholders like you.

CATEGORY

1. Bank Stocks
2. Coronavirus
3. Dividend Stocks
4. Investing
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TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
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