



## Retirees: 3 Lessons to Learn From the 2020 Stock Market Crash

### Description

Last year's market crash was bad, but unfortunately, it looks like we aren't out of the woods yet. Another market crash could be here any day now, thanks to the continuing pandemic. But luckily, there are some lessons we can take from that fall back in March.

If you're a retiree, you'll want to really pay attention. While other people have the luxury of time to heal the wounds of a market crash, your investments are your income. Those investments are your livelihood. So, you want to be incredibly careful and heed these lessons closely.

Luckily, there are also some stocks out there that can see you through another crash and beyond.

### Look beyond our borders

While it might seem a no-brainer that you wouldn't want to put all your bets on one horse, that's pretty much what Canadians continually do. When Canadians invest, it's mainly on Canadian stocks. And hey, that's great! You're helping the economy. But it's also paramount to you feeling that your one country will always do well. That's simply not the case.

It makes sense to start looking beyond your borders, and especially overseas. The United States isn't the only place that you should be looking. Even beyond European countries. There are a lot of emerging markets that offer a great way to diversify your portfolio. A diverse portfolio is a strong one, and even during the pandemic, there will be countries that will be doing relatively well. A great place to start is by looking at foreign real estate investment trusts (REITs), especially in Asia where the pandemic has been dealt with much quicker than here or even in European countries.

### Blue chips

Another way to keep your cash safe is by investing in blue-chip stocks. While these stocks may not give you a triple-digit rise in the next few years, those stocks are also likely not to give you a double-digit loss. What you want as a retiree is safe and stable, and blue-chips offer that. What you're giving

yourself is peace of mind that when the dust clears, these stocks will still be there, just as they have been for decades. And, of course, you'll still receive dividends while you wait for your shares to climb.

## Preferred shares

Finally, preferred shares don't get a fair mention from investors. What you again get with preferred shares is far more stability than you would with common shares. These shares also pay out dividends before common shares, making that [dividend](#) income far more reliable.

If you're looking for a [fantastic](#) option today, **Brookfield Renewable Partners** is the preferred share. Depending on the series you choose, dividends range from 3.35% to 5%; that's about double what you get from purchasing common shares.

## Bottom line

What this all boils down to is you want safety and security. A diverse portfolio that includes foreign countries gets you that. Blue-chip stocks that have been around for decades get you that. And, of course, preferred shares with stable dividends get you that as well. So, look into these stocks and talk to your financial advisor before the next market crash.

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