



Retirement Planning: 2 Stocks That Won't Let You Down

Description

There's no denying that the COVID-19 pandemic altered the retirement plans of many Canadians. The economic fallout from the coronavirus did create [substantial uncertainty](#) about physical health and financial well-being. Now, soon-to-be retirees must revisit, if not rethink, their retirement goals.

Even before COVID-19, retired baby boomers regret not having enough financial resources. It lends credence to retirement experts' advice that your Canada Pension Plan (CPP) and Old Age Security (OAS) pensions may not be enough to enjoy a comfortable lifestyle.

It would best to have or create other income sources besides the guaranteed retirement benefits. The [pressure to build a substantial nest egg](#) is greater now to those nearing the retirement exit. However, if you have socked some savings, let the money produce more money through dividend investing.

A pair of blue-chip stocks can deliver pension-like income and won't let you down regardless of the economic environment. The respective businesses are stable enough to subdue the risks. Scoop them today to address your concerns and lessen the pressure.

Against all odds

I only need to look at the performance of the **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) during the 2008 global financial crisis. The banking systems in most advanced economies were in disarray except in Canada. None of the Big Six banks run to the central bank for help or financial support.

TD stood out and bested its industry peers. Canada's second-largest bank was the only company that posted revenue and profit growth during the hellish episode. The 2020 global pandemic was no different. The \$153 billion bank sacrificed profit to prevent the pandemic from wreaking havoc on its loan book.

TD raised its total provisions for credit losses (PCLs) to \$3.2 billion, the highest level among the top five banks. The share price sank, but investors didn't lose as the blue-chip stock still delivered a 3.71% dividend. As of April 26, 2021, TD trades at \$84.14 per share (+19.38% year-to-date gain) and pays a

3.76%.

Similarly, TD's dividend track record of 164 years is proof the bank is a reliable income stock. A \$120,000 investment today will more than double to \$251,061.72 in 20 years.

Shift in strategy

Rogers Communications ([TSX:RCI.B](#))([NYSE:RCI](#)) should be a top choice today by dividend investors. The \$31.04 billion diversified communication and media company offered to acquire **Shaw Communications** to unseat **Telus** as Canada's second-largest telco firm.

The current share price is \$61.10, while the dividend yield is 3.27%. Roger's cable footprint in the country is quite extensive. If you're unaware, the telco stock's total return over 41.4 years is 23,283.69% (14.07% CAGR). You're investing in a recession-resistant stock, no less.

Rogers' customer base has grown by leaps and bounds to 4.8 million, combined TV, Internet, and phone subscribers. Sportsnet, the most popular sports media brand in Canada, is an integral part of Rogers' media assets.

Revenue streams are diversified too. They come from wireless (60%), cable (26%), and media (14%). Rogers' transcontinental fibre-optic network stretches 70,000 route kilometres. The network provides voice and data communications. Its cloud computing services are available to the private and public sectors.

Lasting income streams

The global pandemic should provoke Canadians to take retirement planning more seriously this time. If you'd been saving, consider using the money to own blue-chip stocks for lasting income streams.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:RCI (Rogers Communications Inc.)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:RCI.B (Rogers Communications Inc.)
4. TSX:TD (The Toronto-Dominion Bank)

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