



Canadian Couples: 2 TSX Stocks You Can Buy Together

Description

Financial goals are essential for couples, because sometimes they are the reasons for failed relationships. Individual partners should freely discuss their expectations about personal finances. A successful union requires frank conversations about spending habits, debt management, and saving money.

If spouses or partners are on the same page regarding money matters, there's no reason they can't [invest together](#) and be successful. Besides developing a plan for splitting bills and household expenses, partners can allocate money to invest proportionately.

Canadian couples can consider buying shares of **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) and **Manulife Financial** ([TSX:MFC](#))([NYSE:MFC](#)) to secure their financial futures. Both [dividend stocks](#) are ideal for long-term investors.

The key to realizing the power of compounding is to keep reinvesting the dividends as they come. Over time, your joint investments will produce [lasting income](#) in addition to pensions like the Canada Pension Plan (CPP) and Old Age Security (OAS).

Huge excess capital

BNS, or Scotiabank, is one of Canada's vaunted big banks (it's the third largest). The \$94.52 billion bank also pays the highest dividend (4.62%) among all in the elite group. Furthermore, the nearly 190-year dividend track record should give you the confidence to invest in this blue-chip stock.

Thus far, in 2021, BNS investors are ahead by 17.31%. Based on analysts' forecasts, the current share price of \$77.87 could rise by as high as 22% to \$95 in post-pandemic. Right now, the big banks are waiting for the Office of the Superintendent of Financial Institutions (OSFI) to lift restrictions on share buybacks and dividend increases.

With \$5.2 billion in excess capital at the close of Q2 fiscal 2021 (three months ended April 30, 2021), Scotiabank could opt to increase dividends when the situation allows it. In the same quarter, net

income grew 86.25% year over year. For the first half of fiscal 2021, net income increased 32.99% versus the same period in 2020. No wonder BNS is a highly traded stock lately.

Generous Dividend Aristocrat

Manulife is a rock-solid and generous dividend payer. At only \$24.12 per share, the \$46.84 billion company pays a hefty 4.64% dividend. Assuming a couple invests \$75,500 today, the money will compound to \$187,025.82 in 20 years. The insurance stock outperforms BNS year to date (+36.31), too.

Market analysts maintain a bullish sentiment on Manulife and see a 20.23% return potential in the next 12 months. Its president and CEO Roy Gori was pleased with the Q1 2021 (quarter ended March 31, 2021) results, despite the nearly 40% slide in net income versus Q1 2020.

Gori said, "We delivered very strong operating results in the first quarter of 2021, driven by double-digit growth (67%) in core earnings across all of our operating segments." He cited the \$1.4 billion in net inflows generated from Manulife's Global Wealth and Asset Management business.

The brightest light during the quarter was higher sales volumes in Asia, particularly Hong Kong. Manulife also boasts a favourable product mix in the region, which is its growth driver. Lastly, the insurance stock belongs to the distinguished Dividend Aristocrat list by increasing its dividends by 11% CAGR annually over the last five years.

Similar mindsets

Couples with similar mindsets can spread the risks by diversifying. BNS and Manulife are in different sectors but are industry leaders and reliable income providers.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

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1. Editor's Choice

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1. NYSE:BNS (The Bank of Nova Scotia)
2. NYSE:MFC (Manulife Financial Corporation)
3. TSX:BNS (Bank Of Nova Scotia)
4. TSX:MFC (Manulife Financial Corporation)

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