



Want to Retire Faster? 2 Stocks That Could Speed it up by 5 Years

Description

COVID-19 brought financial misery beginning in March 2020. For older Canadian workers, the global pandemic was a life-altering moment. It put a damper on retirement plans. Many lost their jobs and were forced to retire early.

As new variants spread, retirement anxiety heightens. You can't rush retirement decisions anymore, unless you're sure you've got all your bases covered. The Canada Pension Plan (CPP) and Old Age Security (OAS) are safety nets, but you need more to [live comfortably in retirement](#).

Still, there's hope to fast-track your plans and retire sooner than later. [Dividend investing](#) can help secure your financial future. If you can accumulate shares of **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) or **BCE** ([TSX:BCE](#))([NYSE:BCE](#)), you might have the confidence to retire in five years.

Buy and hold

Bank of Nova Scotia, or Scotiabank, has been paying dividends since 1832. Its more-than-a-century dividend track record is why income investors own shares of this blue-chip asset. Canada's third-largest lender pays the highest dividend (4.53%) among the Big Five banks.

At the current yield and share price of \$78.59, a \$400,000 investment today will compound to nearly half-a-million dollars in five years. The point here is that you can start small, accumulate shares, and keep reinvesting the dividends to grow your nest egg over time.

Scotiabank is one of TSX's buy-and-hold stocks. It means you can own the bank stock and expect [recurring income streams](#) forever. The dividend payments are safe and sustainable, as the bank maintains a less-than-60% payout ratio. Also, this \$95.5 billion bank is well capitalized and formidable to endure economic downturns.

After three quarters of fiscal 2021 (nine months ended July 31, 2021), Scotiabank's net income rose to \$7.39 billion on \$23.56 billion revenue. The figure is 49.3% higher than in the same period last year. Scotiabank's president and CEO Brian Porter said, "We delivered another quarter of strong results,

with contributions from all our operating segments, reflecting the benefits of a well-diversified business model.”

5G network leader

Like Scotiabank, Canada’s largest telecom is a no-brainer choice if you’re growing your retirement savings. BCE is a reliable income provider, as its dividend track record is equally extensive. The sequence is 141 years and counting. Also, the \$59.23 billion telecommunications and media company from Verdun hasn’t missed a single dividend payment.

BCE is impregnable and recession-proof because of its healthy liquidity position and financial flexibility. In Q2 2021, the operating revenue increased 6.4% to \$5.52 billion versus Q2 2020. Its net earnings jumped 149.7% to \$734 million compared to the same period in 2020.

The press release from management read, “The Bell team successfully delivered on our growth strategy in Q2 with strong execution across all of our operating segments.” BCE trades at \$63.39 per share and pays a hefty 5.35% dividend if you were to invest today.

BCE is also cementing its leadership position in the 5G network rollout. It has formed strategic cloud and technology partnerships with **Amazon.com’s** AWS and **Alphabet’s** Google Cloud. The telco giant targets the 5G service to cover 70% of the national population by year-end 2021.

Counter the retirement risks

The COVID-19 pandemic heightened retirement risks. Fortunately, would-be retirees can still achieve a financially secure retirement through dividend investing.

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2. Dividend Stocks
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1. Editor's Choice

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