



## 4 Stocks to Build a Retirement Portfolio

### Description

Investing has many forms and purposes. Your investment strategy and stock portfolio composition depend on the purpose of investment, time horizon, and risk-bearing capacity. One person can have multiple portfolios, each with a different investment strategy. Here, I will talk about building a [retirement portfolio](#) if you are in your late 30s or early 40s. You have at least 20 years to retirement and can be a little aggressive with your investments.

Here are four stocks to start building a million-dollar retirement portfolio:

- **BCE** ([TSX:BCE](#))([NYSE:BCE](#))
- **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#))
- **Descartes Systems** ([TSX:DSG](#))([NASDAQ:DSGX](#))
- **Dye & Durham** ([TSX:DND](#))

### Dividends stocks

Before becoming aggressive, it is always good to secure your portfolio with dividend stocks. When I say *secure*, it doesn't mean dividend stocks are immune to price declines or dividend cuts. It means these stocks can give you regular dividends because of their predictable cash flows. In the event of a macro-crisis, these stocks might slash dividends, but they have a better chance to recover.

Even with dividend stocks, look for market leaders that run mission-critical businesses like telecom or energy. BCE is Canada's largest telecom operator and also has an edge in 5G. The company has successfully grown its dividend for the last 12 years. It has now channelized its cash to accelerate the development of 5G infrastructure. This could slow its dividend growth for a year or two. But this slowdown in growth is being compensated by an increase in stock price.

The 5G technology will shape the next 10 years of the internet, and this technology is several folds bigger than 4G. Once the 5G investment starts generating returns, BCE stock could see a surge in dividends, making it a perfect choice for your retirement portfolio.

On similar lines, Enbridge is a dividend stock with a 26-year history of dividend growth. As North America's largest pipeline operator, it enjoys regular cash flows from the toll money it collects for transmitting oil and natural gas. However, the growing environmental concerns are making it difficult to build more pipelines. This won't impact its dividend-paying ability, because pipelines continue to be the most cost-effective way of transmitting liquid and gaseous fuels. Enbridge's pipeline infrastructure would become even more valuable, and it might be able to charge a higher toll.

Investing 50% of your portfolio in the above two stocks would balance the high risk from aggressive stocks.

## Growth stocks

Moving on to growth stocks, these are the ones for which you see demand. They have started small but are spreading like wildfire. Their overall market is growing by double digits, and they are growing their share in this growth market. These are the stocks that have the potential to grow your money tenfold (convert \$1,000 into \$10,000) in 10 years through capital appreciation.

In the global landscape, supply chain issues are becoming complex, like vaccine distribution, the United States-China trade war, and automotive chip supply shortage. The supply chain management (SCM) solutions will play a role, as they help companies save costs and adjust to changing supply and demand needs. The Business Research Company [expects](#) the SCM market to surge at a compounded annual growth rate (CAGR) of 5.6% by 2023.

Descartes System is a growth stock as it provides cloud-based SCM solutions to companies. Descartes ranks seventh in terms of market share, leaving room for increasing the share. It is in a long-term growth trend with an average annual growth of over 20%. What does all this tell you? The stock can grow your retirement portfolio faster than the market and inflation.

## Dye & Durham

Another growth stock is Dye & Durham, a software solution provider that helps governments and legal and financial professionals access information and manage workflow. Its niche mission-critical offerings lead to long-term contracts and stable cash flows. Last month, the stock fell over 22% after the company rejected a management buyout. This shows the company's confidence in maintaining its status as a public company. This stock started trading just last year and has the [potential to grow](#) your portfolio significantly in the coming 10 years.

This mix of growth and dividend stocks can bring balanced growth to your retirement portfolio.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Tech Stocks

### TICKERS GLOBAL

1. NASDAQ:DSGX (Descartes Systems Group)
2. NYSE:BCE (BCE Inc.)
3. NYSE:ENB (Enbridge Inc.)
4. TSX:BCE (BCE Inc.)
5. TSX:DND (Dye & Durham Limited)
6. TSX:DSG (The Descartes Systems Group Inc)
7. TSX:ENB (Enbridge Inc.)

## **PARTNER-FEEDS**

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

## **PP NOTIFY USER**

1. kduncombe
2. pujatayal

## **Category**

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Tech Stocks

## **Date**

2025/08/17

## **Date Created**

2021/10/26

## **Author**

pujatayal

default watermark

default watermark