Retirees: 3 Stocks to Stash for Your Retirement

Description

Financial instability in the sunset years isn't an option for serious retirement planners. A solid plan today is the only way to guarantee a comfortable lifestyle in the future. Pensions like the OAS and CPP are for life but are not enough to cover the financial needs of retirees.

Long-term investors want nothing more than an everlasting affair with established dividend payers. **Bank of Nova Scotia** (TSX:BNS)(NYSE:BNS), **Enbridge** (TSX:ENB)(NYSE:ENB), and **Canadian National Railway** (TSX:CNR)(NYSE:CNI) are retirement wealth builders. Buy the stocks and stash them in your treasure chest for good.

Astonishing long-term return

BNS, Canada's third-largest lender ($97.46 billion market cap), pays the highest dividend (4.99%) among the Big Five banks. Like its giant peers, this $97.38 billion bank has been paying dividends for more than a century (190 years). The total return in 49.48 years is an astonishing 189,437.30% (16.48% CAGR).

After reporting its fiscal 2021 results, BNS president and CEO Brian Porter told investors to be ready to see the earnings power of the bank. In Q1 fiscal 2022 (quarter ended January 31, 2022), management reported $2.74 billion in net income, which represents a 14.26% growth from Q1 fiscal 2021.

Porter said, "2022 has started well reflecting the full earnings power of the bank, with very strong operating results in all our four business lines. This quarter had strong loan growth, along with good fee income growth." Its International Banking and Canadian Banking segments reported 38% and 32% year-over-year increases, respectively, in adjusted earnings.

Market analysts expect BNS to present higher earnings in Q2 fiscal 2022 due to loan growth and higher margins. For would-be investors, the share price of $80.24 is value for money.

Growing dividends

There's so much to like about Enbridge. Its entrenched position in North America's oil & gas midstream industry is just the tip of the iceberg. The $115.45 billion energy infrastructure company pays a mouth-watering 6.02% dividend. Furthermore, the dividend-growth streak of 27 years is likely to extend, given the $19 billion secured capital program from 2021 to 2024.

Management projects a 5-7% CAGR in its distributable cash flow per share through 2024. In post-2024, Enbridge will have $3 billion to $4 billion in core capital allocation that should result into more organic growth. At $57.17 per share, current investors should be happy with Enbridge's 19.35% year-to-date gain.

Strong moat

Canadian National Railway is a bit pricey ($143.24 per share) compared to BNS and Enbridge. However, the industrial stock deserves a spot in a retirement portfolio, even if the dividend yield is a modest 2.05%. The $98.43 billion company is an economic driver and boasts a strong moat.

According to Tracy Robinson, CNR's president and CEO, management's primary focus now is to drive long-term sustainable growth to the bottom line. The former head of **TC Energy's** natural gas pipeline operations said, "We will bring this company back to being best in class."

Formidable portfolio

The trio of BNS, Enbridge, and Canadian National Railway forms a formidable retirement portfolio since it provides balance and stability. More importantly, the companies should have no problems sustaining dividend payments for decades.

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3. NYSE:ENB (Enbridge Inc.)
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cliew