



Got \$5,000? Buy These 2 Stocks and Hold Until Retirement

Description

There are many people that refer to themselves as “long-term investors.” I find this term to be rather redundant. This is because investing should always be seen as being a long-term decision. Anything done in the short term should be referred to as “trading.” When you invest, you should be thinking about how each position could help you reach a comfortable retirement.

With that in mind, you also don’t need a lot of money [to get started](#). In this article, I’ll discuss two stocks that investors should buy and hold until retirement. By investing \$5,000 in these companies today, you could be well on your way to financial independence.

Buy this Canadian bank

I believe all Canadians should invest in one of the Big Five banks. This is because the Canadian banking industry holds such an important role in our economy. If you look at the eight largest companies (by market cap) in Canada, four of them are banks. The next largest bank isn’t that far off from the rest of its peers. With that in mind, investors could do well by investing in the company they bank with, because these stocks tend to move similarly over time. However, if I had to choose one, I’d go with **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)).

What’s interesting about this company is that it seems to focus on its international presence much more than its peers. [In 2021](#), nearly a third of Bank of Nova Scotia’s earnings came from sources outside Canada. In particular, Bank of Nova Scotia has remained committed to expanding its presence within the Pacific Alliance. This is a region which includes Chile, Columbia, Mexico, and Peru. Due to a growing middle-class economy, it’s projected that these countries could see much more growth than North American countries in the coming years.

Bank of Nova Scotia is also an excellent dividend stock. It's listed as a Canadian Dividend Aristocrat, after having increased its dividend over the past 11 years. Today, Bank of Nova Scotia offers a forward dividend yield of 5.50%. If we consider that its dividend could be worth a lot more in the future, investors could see very attractive yields on cost with this stock in a few years' time.

Invest in this telecom company

Telus ([TSX:T](#))([NYSE:TU](#)) is another company that investors should consider adding to their portfolio. Like the banking industry, the Canadian telecom industry is dominated by a small group of companies. Telus is interesting, because it operates the largest telecom network in Canada. Its network covers 99% of the Canadian population.

Despite being an important player in the Canadian telecom industry, that's not even the most interesting aspect of its business. Telus has also emerged as a top player in the growing telehealth industry. It offers a wide range of solutions to healthcare professionals, including a suite of EMR offerings. Telus also offers MyCare, its personal care app. Using that platform, patients are able to seek medical professionals from the comfort of their own homes.

Like Bank of Nova Scotia, Telus is a great dividend stock. A Canadian Dividend Aristocrat, Telus has managed to increase its dividend in each of the past 17 years. It currently offers investors a forward dividend yield of 4.70%. Like Bank of Nova Scotia, Telus's yield on cost in the future could be very attractive due to its dividend-growth history.

CATEGORY

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3. TSX:BNS (Bank Of Nova Scotia)
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