



## Millennials: No Excuses! Start Saving for Retirement Right Now.

### Description

Millennials like myself certainly can complain about how hard we've had it, and it's not exactly false. We've entered the age of uttering "back in my day," and every time it comes out of my mouth, I feel a part of me die. Many millennials also continue to believe they can't invest in **TSX** stocks and plan for retirement.

After all, why would we? We're still saddled with student debt, in no way can we afford a home in most cities, and inflation has gone up astronomically. Oh, and did I mention that millennials have gone through all of our major life events during economic downturns? Add a pandemic into the mix and we're not exactly the lucky generation.

But enough complaining. I'm done. No more excuses, even if they're totally legitimate. Because there's always a way to make some extra cash that can help you invest in TSX stocks, and start saving for retirement. Which you should be doing. Like, right now.

## How on earth can millennials get extra cash?

Granted, it's a problem. But riddle me this. Let's say you lost your job tomorrow. Yep, it's gone. Inflation hasn't gone away though. Neither have rising interest rates. And you're not likely to see a sudden drop in bill or rent payments. So what would you do? How would you save? Most importantly, what would you cut?

These are the questions you should consider first. If you don't have a budget, create one. Then look over every single line item of your credit and debit charges. What are you buying? Could you skip on an alcohol or coffee purchase? Have you been regularly buying junk food or take out?

And where are you buying these things in the first place? Are you trying out those upscale grocery stores? Or are you hitting up No Frills to keep costs down? Are you taking advantage of loyalty programs to help pay for items, or using credit reward programs to help pay off credit card bills?

I'm going to be straight with you, it's unlikely that millennials are doing all of these things. And that

means you're missing out on savings that you could be investing in TSX stocks and setting aside for retirement. Now, let's look at what those TSX stocks should be.

## We're young, let's celebrate!

By making these cuts now, you're setting yourself up for success. That's because millennials have decades ahead and a long runway before reaching retirement. If we learn cost-saving methods now, we can implement these over a lifetime, putting cash away that will serve us well once we reach our sunset years.

With that in mind, it's best to think long-term and choose TSX stocks that will serve you well until retirement, if not longer. Plus, they shouldn't cost much. If you're just starting out, you want low-cost blue-chip companies that offer dividends you can use to reinvest. Plus, I'd consider dollar-cost averaging as a strategy. This is where you consistently purchase stocks say once a month, which reduces the volatility that comes with making a large purchase all at once.

Now I love the [Big Six Banks](#), but they're kind of pricey if you don't have much to invest. So instead, I'd look to [exchange-traded funds](#) (ETF) like the **BMO Covered Call Canadian Banks ETF** ([TSX:ZWB](#)). This provides exposure to all the Big Six Banks for just \$19.56 per share right now. So put \$20 aside each month, and you can buy share after share. I'd also consider some infrastructure investments, and **Brookfield Infrastructure Partners LP** ([TSX:BIP.UN](#)) ([NYSE:BIP](#)) is a great one. You get the backing of an asset manager, and the peace of mind that comes from knowing infrastructure like water and energy will always be needed.

## Make those retirement savings

Alright millennials. We have our TSX stocks. We have our savings plan. Now let's say you can afford to put aside \$100 per month towards investing. If you make \$50,000 per year, that's just 2.4% of your salary. You start putting aside the dividends and reinvesting them back into your retirement fund as well. So here's what you get.

Based on historical performance, if you were to see the same growth in shares and dividends for the next three decades, you could turn your portfolio into one that is worth about \$694,435! Not bad, millennials, not bad at all.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
3. TSX:ZWB (BMO Covered Call Canadian Banks ETF)

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