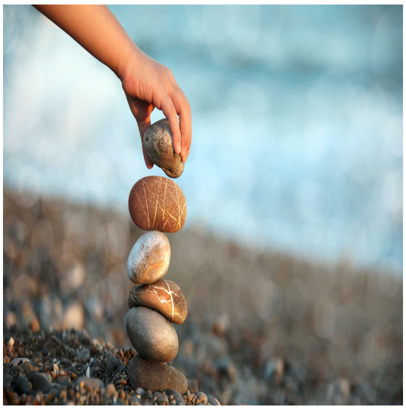

3 Stocks To Keep Your Retirement Savings Growing Faster Than Inflation

Description

Inflation is the silent savings killer every investor should be wary of. It eats away at your savings without you really noticing. You may see the numbers growing and compounding in a savings account, but in reality, they could be eroding at a higher pace than they're growing, especially when inflation is as high as it is right now.

To keep this inflation in check, and grow your funds at a rate that more than neutralizes it's impact, you need to invest in the right mix of growth stocks. Here are a few to consider.

The answers and solutions company

Thomson Reuters (TSX:TRI)(NYSE:TRI) is one of the oldest media companies in Canada. But don't let its old age fool you: the company has evolved, and media (news and print) makes up only a relatively small part of its revenue. Most of the company's income is generated from the solutions (including software) it provides to legal professionals, tax and accounting professionals, and corporations.

It's still deeply rooted in information and markets itself as the "answer" company. Its research and studies benefit many professionals, especially from the law and tax industries.

Thomson Reuters is also a robust growth stock. It has risen 132% in the last five years alone. And if it can sustain an annualized growth rate of around 25% going forward, it can easily keep the negative impact of inflation at bay.

A healthcare company

In a sector dominated by marijuana businesses, companies like **Bellus Health** (TSX:BLU) stand outnot only for their business orientations but also for their performance. It's a clinical-stage biotechcompany that's working on developing a novel pathogen to revolutionize chronic cough treatment. Itplans to enter phase 3 clinical trials very soon.

The problem lies in the fact that this is the only major project in the company's pipeline, which seems like a weakness from a future growth perspective. If the treatment doesn't meet anticipated demand, the company may hit a rough patch. But so far, investors seem to have confidence in the company. Plus, it recently underwent a public offering to fund drug development efforts, and using this cash to initiate new programs in the future might be on the table.

The stock has gone up twice in the last five years, and it's still riding the recent growth spurt, which has pushed the price up 300% in a little over a year!

A telecom giant

Telus (TSX:T)(NYSE:TU) is a Canadian telecom giant that offers a compelling combination of capital appreciation potential and dividends. It doesn't top the charts in either of the two categories, but the collective return potential is decent enough. And since it's a leader in a highly consolidated sector, there's a strong chance the stock will stick to its modest growth path.

It's currently offering an attractive yield of about 4.5%, a bit higher considering the company's history, but that's thanks to its latest 12.5% slump. As for growth potential, the stock has risen 33% in the last five years, which is barely enough to counter the impact of inflation (especially at its current pace).

But this growth isn't reflective of its usual performance, and once the market normalizes, the pace of growth will likely pick up speed. It's also worth noting that shares of Telus currently possess a price-to-earnings ratio of 22 which puts this telecom stock in solid value territory, trading at more attractive levels than its top competitors.

Foolish takeaway

Periods of volatility can be the best times to buy these stocks at a discounted price. The country is expected to see a mild recession in 2023 which may be accompanied by a small market crash. But even if that doesn't happen, the current bearish phase makes these stocks undervalued enough to be solid picks for your retirement portfolio.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NASDAQ:TRI (Thomson Reuters)
2. NYSE:TU (TELUS)
3. TSX:BLU (Bellus Health)

4. TSX:T (TELUS)
5. TSX:TRI (Thomson Reuters)

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adamothman