How I'd Invest $50,000 in TSX Dividend Stocks for Retirement if I Had to Start From Scratch

Description

Investing in some fundamentally strong TSX stocks could be one of the best ways to grow your wealth for retirement. But like any other task, investing in stocks for retirement requires proper planning, discipline, and execution. In this article, I'll highlight how you can invest $50,000 in some safe TSX dividend stocks right now to plan your dream retirement.

Investing in dividend stocks could help meet your retirement goals

When you're thinking of investing your hard-earned savings in stocks, you must always set your goals very carefully and realistically. On the one hand, if you're still young and want to invest in stocks just to get wealthier, you can consider investing in some quality, high-growth stocks that have the potential to yield outstanding returns on your investments and multiply your money fast. On the other hand, if you couldn't start careful financial planning for some reason at an early age, you need to be a lot more careful and avoid taking unnecessary risks with high-growth stocks.

However, that doesn't mean you should completely stay away from the stock market. In fact, the market has plenty of opportunities for everybody at all times based on one's risk appetite and financial goals. When it comes to retirement planning, investing a large part of your portfolio in fundamentally strong dividend stock for the long term could be really helpful. By doing so, you can expect to receive safe and steady returns on your investments.

How I'd invest $50,000 today in TSX dividend stocks for retirement

If I have to invest $50,000 in TSX dividend stocks today to meet retirement goals, I'd definitely prefer safe stocks like **Enbridge** (TSX:ENB) — especially considering the current macroeconomic picture.

This Canadian energy transportation firm currently has a market cap of about $107 billion. Its stock trades at $53.26 per share with about 8% year-to-date gains and offers an impressive dividend yield of around 6.5%.

Notably, ENB stock has yielded a solid average annual return of slightly more than 13.1% in the last 20 years. This simply means if I had invested $50,000 in its stock 20 years ago, my invested money would have grown to approximately $600,000 by now with dividend reinvestments. The underlying strength in its balance sheets and cash flows could be understood by the fact that Enbridge has consistently been increasing its dividends for the last 27 years.

Apart from its consistently growing traditional energy transportation and infrastructure business, Enbridge has lately accelerated its efforts to diversify its revenue streams by investing heavily in renewable energy and oil export segments. These efforts could help the company accelerate its financial growth further and continue delivering solid returns to its investors in the future as well.

Bottom line

While the Enbridge example can give you a good idea of how beneficial long-term stock investing could really be — especially if you're looking to grow your wealth for retirement. But another important thing you should remember is to never put all your eggs in one basket. Simply, you should always try to diversify your stock portfolio by investing in quality dividend stocks from various sectors, as no one in the world can accurately predict what's going to happen to a particular industry or a company in the future. If you want to invest in TSX dividend stocks today, you have many sectors to choose from, including energy, metals mining, banking, and real estate.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. TSX:ENB (Enbridge Inc.)

PARTNER-FEEDS

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

PP NOTIFY USER

1. jparashar
2. kduncombe

Category

1. Dividend Stocks
2. Investing

Date
2025/06/29
Date Created
2022/10/08
Author
jparashar