# 2 Dividend Stocks Perfect for Retirees

## Description

When you're young, it's easy to take risks, especially when it comes to investing. The thought of hitting a home run is very exciting, and if a mistake is made, there's plenty of time to recover. There's no need for a steady payout, and there's probably a long-term focus. If there are a few bumps along the way, it's no big deal.



For retirees, it's a different story. All of a sudden, preservation of capital is the top goal. An income stream is also a must. If a company has a spotty history, that may be harder to overlook. With that in mind, below are two stocks that one can retire on.

**1. Telus**

**Telus** (TSX: T)(NYSE: TU) operates in one of Canada's most stable sectors, one with high barriers to entry, limited competition, and subscription-based revenue. This is the perfect environment for predictable earnings and a rock-solid dividend.

Even better, Telus has done an especially good job. It has been adding far more wireless customers than its competitors, and keeping these customers happier too — in a typical month, less than 1% of the company's wireless subscribers cancel their service. This is tops in Canada and also puts Telus among the world's best.

Best of all, Telus is not overly expensive, and as a result, the shares yield a respectable 3.9%. Furthermore, this is a dividend that gets raised fairly regularly, and shareholders are counting on this to continue.

**2. Tim Hortons**

There may be no other company more quintessentially Canadian than **Tim Hortons** (TSX: THI)(NYSE: THI). This was confirmed by *Canadian Business*, which just ranked it as the top brand in the country for the second year in a row.

If you're not looking for any surprises as an investor, this is exactly the kind of company you should be looking for: a company so rooted in the hearts and minds of Canadians that competitors have a very difficult time breaking through. It's true that many are trying, but Tim Hortons will have a sizable lead in its industry for a long time.

At first glance, Tim Hortons may seem more expensive than Telus, with only a 2.2% dividend yield. But it also has more opportunities to grow, whether from new menu items, new times in the day (such as lunch), or expansion into the United States. Also, this is a company that has raised its dividend by 360% since going public in 2006.

Like Telus, Tim Hortons is a company you can count on to pay ever-increasing dividends for a long time.

**CATEGORY**

1. Investing

**TICKERS GLOBAL**

1. NYSE:TU (TELUS)
2. TSX:T (TELUS)

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