



3 Dividend Stocks Perfect for Retirees

Description

If you're about to retire, or are already in retirement, you should be looking for very safe stocks with a reliable dividend. Unfortunately, such stocks are not easy to find in Canada.

But if you look hard enough, you can find some companies suitable for a retirement portfolio. Below we take a look at three.

1. BCE

If you're looking for a big dividend yield, normally you'd have to opt for a risky stock. And we all know how that's worked out in the past six months as big dividends have been cut left and right. **BCE Inc.** ([TSX:BCE](#))([NYSE:BCE](#)) is an exception to this rule.

BCE is not only Canada's largest telecommunications provider, but also one of the biggest dividend-payers. As of this writing, the stock yields 4.8%. Better yet, it operates in a very safe industry, one with limited competition and high barriers to entry. Subscription-based pricing ensures that revenue stays smooth, and growing demand for mobile data ensures that BCE has a strong future.

For these reasons, BCE's dividend is very safe, something that should make its investors feel quite comfortable. So, if you're looking for a big dividend you can count on throughout retirement, this is a great place to start.

2. Fortis

Fortis Inc. ([TSX:FTS](#)) is Canada's largest investor-owned distribution utility and a perfect stock for retirees.

At first glance, the company doesn't seem that appealing with a dividend yielding only 3.5%. But this is a dividend that has gone up every year for over four decades! Think about all that has happened over that time: wars, recessions, financial crises, and other game-changing events. Through it all, Fortis has kept on raising its dividend.

Therefore, you could easily replace some of the bonds in your portfolio with shares of Fortis. After all, why wouldn't you take a bigger yield, all while benefiting from a rising dividend?

3. TD

In most countries, bank stocks wouldn't make this kind of list, but Canada's banks are especially stable. Like the telecommunications providers, competition is low and barriers to entry are high, ensuring that profits are easy to come by. And no bank embodies this concept better than **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)).

Ever since 2002, which was a disastrous year for TD, the bank has made risk management a top priority. This strategy has yielded fantastic results. Most notably, the bank famously sidestepped the subprime loan meltdown in the United States.

Furthermore, TD is well known for its customer service. In fact, it's been rated number one among the Big Five banks for nine years in a row by JD Power & Associates. So, the bank's customers should remain loyal for years, making future earnings even steadier. Long story short, the dividend (which yields 3.6%) is rock solid and should continue to grow. That's great news for any retirees who hold TD stock.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:BCE (BCE Inc.)
4. TSX:FTS (Fortis Inc.)
5. TSX:TD (The Toronto-Dominion Bank)

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Date

2025/07/22

Date Created

2015/05/06

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