



## 3 Top Dividend Stocks for Retirees

### Description

Dividend stocks are the foundation of great retirement portfolios. However, not all dividend stocks are created equal, so this is where you must do your homework. Fortunately for those of you reading this article, I've done the necessary research and compiled a list of three stocks with high and safe yields of 3-6%, so let's take a quick look at each to determine which would fit best in your portfolio.

#### 1. Brookfield Infrastructure Partners L.P.

**Brookfield Infrastructure Partners L.P.** ([TSX:BIP.UN](#))([NYSE:BIP](#)) owns and operates one of the world's largest portfolios of high-quality infrastructure assets, including pipelines, communication towers, ports, and regulated utilities. It pays a quarterly distribution of US\$0.57 per share, or US\$2.28 per share annually, which gives its stock a yield of about 5.65% at today's levels.

It is also important for investors to make two notes.

First, Brookfield has raised its annual distribution for six consecutive years, and its 7.5% hike in February has it on pace for 2016 to mark the seventh consecutive year with an increase.

Second, it has a target distribution-payout range of 60-70% of its funds from operations and an annual distribution growth target of 5-9%, making it one of its industry's most attractive dividend-growth plays.

#### 2. RioCan Real Estate Investment Trust

**RioCan Real Estate Investment Trust** ([TSX:REI.UN](#)) is Canada's largest REIT with a total enterprise value of approximately \$15 billion and ownership interests in 305 retail and mixed-use properties across Canada and the United States. It pays a monthly distribution of \$0.1175 per share, or \$1.41 per share annually, which gives its stock a yield of about 5.2% at today's levels.

It is also important for investors to make two notes.

First, RioCan has maintained its current annual distribution rate since 2013.

Second, I think its increased amount of funds from operations, including its 3.8% year-over-year growth to an adjusted \$1.57 per share in fiscal 2015, and its reduced payout ratio, including 90.4% in fiscal 2015 compared with 93.4% in fiscal 2014, could allow it to announce a slight increase to its distribution when it reports its first-quarter earnings on May 4.

### 3. Methanex Corporation

**Methanex Corporation** ([TSX:MX](#))([NASDAQ:MEOH](#)) is the world's largest producer of methanol with an estimated 14% global market share. It pays a quarterly dividend of US\$0.275 per share, or US\$1.10 per share annually, which gives its stock a yield of about 3.55% at today's levels.

It is also important for investors to make two notes.

First, Methanex has raised its annual dividend payment for five consecutive years, and its 10% hike in April 2015 has it on pace for 2016 to mark the sixth consecutive year with an increase.

Second, in its February 2016 investor presentation, the company stated that its "strong cash generation capability and financial position" has it "well positioned for increased returns to shareholders" going forward.

#### CATEGORY

1. Dividend Stocks
2. Investing

#### POST TAG

1. Editor's Choice

#### TICKERS GLOBAL

1. NASDAQ:MEOH (Methanex Corporation)
2. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
3. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
4. TSX:MX (Methanex Corporation)
5. TSX:REI.UN (RioCan Real Estate Investment Trust)

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