



## Retirees: 3 Top Canadian Income Stocks Yielding 4-6.5%

### Description

Canadian retirees are searching for dividend stocks with reliable distributions to hold in their income portfolios.

Let's take a look at **TransCanada Corporation** ([TSX:TRP](#))([NYSE:TRP](#)), **Keg Royalties Income Fund** ([TSX:KEG.UN](#)), and **TransAlta Renewables Inc.** ([TSX:RNW](#)) to see why they might be interesting picks.

#### TransCanada

TransCanada has a long track record of dividend growth, and that trend should continue.

The company purchased Columbia Pipeline Group last year in a US\$13 billion deal that added strategic gas assets in the growing Marcellus and Utica plays as well as important pipeline infrastructure stretching from Appalachia to the Gulf Coast.

The company's near-term capital program is currently \$24 billion. As those projects are completed and go into service, TransCanada expects cash flow to grow enough to support dividend increases of at least 8% through 2020.

The current distribution provides a yield of 4%.

#### The Keg

If you like steak, you have probably eaten at a Keg restaurant.

The company has been around for a long time, and while the décor in the new restaurants has changed with the times, the core recipe for success has remained the same.

People who go to The Keg know they are going to get great food and great service in a comfortable and fun environment.

The chain has about 100 restaurants these days, generating sales of about \$600 million.

Income investors like the name because it provides reliable monthly payouts that offer an above-average yield. Long-term investors have also picked up some nice capital gains.

The payout currently provides an annualized yield of 5.3%.

### **TransAlta Renewables**

TransAlta Renewables is majority owned by **TransAlta Corporation** and holds most of the renewable power-generation assets, including hydroelectric facilities, wind farms, and gas-fired power plants.

The company just completed its South Hedland facility, which is expected to contribute \$80 million of EBITDA on an annualized basis.

As a result, management just bumped the dividend up by 7%.

At the time of writing, the new monthly payout of \$0.07833 per share provides an annualized yield of 6.5%.

### **The bottom line**

The payouts from all three companies should be safe, and an equal investment in each one would provide an average yield of better than 5%.

### **CATEGORY**

1. Dividend Stocks
2. Investing

### **TICKERS GLOBAL**

1. NYSE:TRP (Tc Energy)
2. TSX:KEG.UN (Keg Royalties Income Fund)
3. TSX:RNW (TransAlta Renewables)
4. TSX:TRP (TC Energy Corporation)

### **PARTNER-FEEDS**

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

### **Category**

1. Dividend Stocks
2. Investing

### **Date**

2025/08/19

**Date Created**

2017/08/18

**Author**

aswalker

default watermark

default watermark