



2 High-Yield Stocks for Your Retirement Income

Description

There is nothing more attractive than having stable and high-yielding stocks in your portfolio to boost your retirement income.

When it comes to picking stocks that pay generous yields, I always recommend taking a cautious approach. You don't want to risk the stability of your retirement income by investing in stocks that are about to cut their dividends.

Often, stocks with higher yields are more likely to cut their payouts than ones with smaller yields. But it's also true that it doesn't happen all the time. In some cases, yields as high as 8% can be safe and sustainable.

Here are two of Canada's high-yielding dividend stocks that can be part of your retirement income portfolio. Let's find out about them.

Brookfield Renewable

Utilities are one of the best sources to generate stable and long-term income. Among them is **Brookfield Renewable Partners LP** ([TSX:BEP.UN](#))([NYSE:BEP](#)), which delivers a sustainable, high yield and offers exposure to the growing use of renewable power.

Brookfield Renewable owns and operates one of the largest independent renewable power businesses globally with 261 facilities in North America, South America, and Europe.

Its investment objective is to deliver long-term annualized total returns of 12-15%, including annual distribution hikes of 5-9%. Hydroelectric power generation makes up more than 85% of its portfolio.

The stock currently pays a 5.6% annual dividend yield, which translates into \$0.47-a-share quarterly dividend. The company has hiked the payout each year since it started trading.

The company's biggest strength, which ensures the continuity of its high payout, comes from the fact that 92% of the company's revenues are contracted.

Superior Plus

Superior Plus Corp. ([TSX:SPB](#)) runs the energy distribution and specialty chemical business in North America. Its energy distribution involves the delivery, wholesale procurement, and retail marketing of propane-related products, targeting customers in Canada and the northeastern U.S.

Superior Plus pays \$0.06-a-share monthly distribution, which translates into a 5.67% annual dividend yield. The company's annual distribution peaked in 2005, but since then it's been in a stable zone, where investors are being regularly rewarded with payouts.

The company is taking advantage of low asset prices of energy companies by aggressively acquiring smaller players. Last month, Superior Plus completed its acquisition of Canwest Propane, making it the largest propane distributor in Canada with annual retail and wholesale propane sales volumes of 1.8 billion litres.

The bottom line

These two stocks offer sustainable yields of close to 6%. Both companies are in growing and safe industries with great potential for capital gains. You won't be taking a high degree of risk by adding one or both of these stocks to your portfolio.

CATEGORY

1. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
3. TSX:SPB (Superior Plus Corp.)

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Author

hanwar

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