

## Retirees: 2 High-Yield Dividend-Growth Stocks to Fire Up Your Nest Egg

### Description

Dividend stocks are a great way to build your retirement fund, but you need to pick stocks that don't just pay a dividend but are also growing it at a strong pace. When supported by high yields, stable and growing dividends can set your nest egg on fire, reaping you rich returns. Two such incredible dividend-growth stocks that you must consider for your retirement are **Brookfield Renewable Partners LP** ([TSX:BEP.UN](#))([NYSE:BEP](#)) and **Inter Pipeline Ltd.** (TSX:IPL).

#### Brookfield Renewable Partners LP: Dividend yield — 5.6%

For retirees, investing in Brookfield Renewable Partners is as good as investing in the future of energy through a company with a solid business model and financials. Brookfield Renewable Partners is not only among the world's largest clean energy companies, but it's also one of North America's largest "yieldcos." As a [yieldco](#), the company passes on a major portion of its earnings to shareholders in the form of dividends.

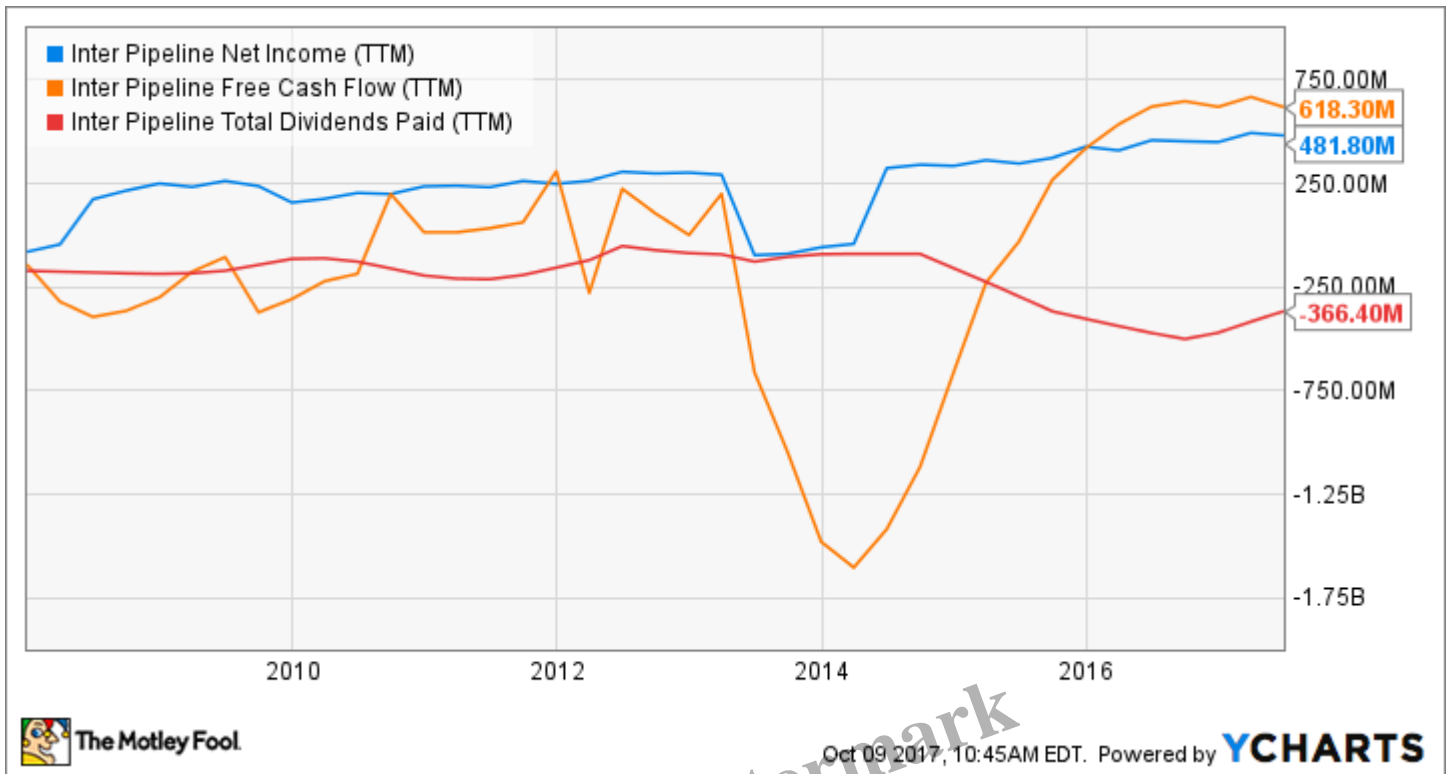
Brookfield Renewable Partners primarily owns hydropower plants, giving it an edge in one of the least-explored but high-potential clean energy sources. Because the power business is largely regulated, Brookfield Renewable Partners's funds from operations (FFO) and dividends [are highly secure and sustainable](#), which explains why the company is committed to increasing its annual dividends by 5-9% going forward.

So, if you own Brookfield Renewable Partners shares, you don't just get to enjoy high yields of 5.6%; you can also watch your dividends grow high single-digit percentages regularly. That's a steal of a deal that retirees shouldn't miss, and now is a great opportunity, what with the stock trading at less than nine times price to FFO.

#### Inter Pipeline: Dividend yield — 6.4%

You'd think oil and gas dividends aren't reliable, but Inter Pipeline breaks the myth. It is an energy infrastructure company that operates an extensive network of oil and natural gas pipeline and storage systems aside from natural gas-processing facilities.

Concerns about a possible payout cut have put Inter Pipeline shares under pressure lately, but the market is missing a key point here: the bulk of the company's business revolves around fee-based contracts, which substantially mitigates volatility in its earnings and cash flows. And this chart clearly shows how well Inter Pipeline's net income and free cash flow presently covers its dividends.



In fact, Inter Pipeline is a top dividend stock to own; the company has increased its dividends every year since 2009, growing it at a solid compounded average clip of 9% in the past five years. The best part: it pays a monthly dividend! Trading at a price-to-cash flow ratio of just 10 times and yield of 6.4%, Inter Pipeline is one great dividend-growth stock to own.

## CATEGORY

1. Dividend Stocks
2. Energy Stocks
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