



## Investing in These Dividend Stocks Could Make You a Millionaire Retiree

### Description

Investing in [dividend stocks](#) is a proven way to save for retirement. Companies that pay regular dividends help aggressive savers to multiply their wealth quickly, as they re-invest their income back into the portfolio and reap the benefits of compounding.

If you are young and can spare a good chunk of your income for your retirement, you are in an ideal position to build a million-dollar retirement portfolio that's big enough for you to enjoy your golden years.

Young savers have a fantastic saving tool, which has been designed to help maximize savings and get you the best tax benefits.

The Tax-Free Saving Account (TFSA) has many advantages for young savers. It allows investments to compound tax free, and you can cash out your TFSA without incurring a tax liability.

Through your TFSA, you can start investing in safe dividend stocks that you plan to buy and hold for a long time.

Here are some of the top dividend-paying stocks available to Canadian investors that could help make your investments grow fast.

### Utilities

Power and gas utilities are among the top dividend-paying companies in Canada. And in this space, I like **Enbridge Inc.** ([TSX:ENB](#))([NYSE:ENB](#)) and **Brookfield Infrastructure Partners L.P.** ([TSX:BIP.UN](#))([NYSE:BIP](#)).

Both of these companies are involved in building global energy infrastructure in diversified jurisdictions.

Their revenues mostly come from long-term contracts which provide stability and growth to their income. This is what retirees need, because they are not interested in short-term gains.

Instead, retirees want a long-term track record of paying dividends and growing them over time.

Investors who'd bought Brookfield stocks in 2009, for example, have seen their \$15,000 grown to ~\$70,000 today.

## Banks

Canadian financial institutions are another avenue to earn stable dividend income on your dividend portfolio. Canadian lenders have a strong local presence and expanding global footprint. This combination helps them to pay hefty dividends to their shareholders.

Canadian banks distribute 40-50% of their income, on average, in dividends — a very strong incentive for retirees to keep invested.

**Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)), for example, is one of the best stocks among large Canadian lenders. TD has become an eighth-largest U.S. bank through its acquisitions. With a dominant market share in Canada, it is well positioned to grow its payout.

In the past 15 years, the lender has provided a 12% annualized total return. And \$10,000 invested in TD is now worth more than \$30,000.

## Telecoms

I also like having a couple of top telecom stocks due to their consistent history of paying dividends. **BCE Inc.** ([TSX:BCE](#))([NYSE:BCE](#)), Canada's largest telecom operator, has been sending dividend cheques to income investors and retirees for more than a century.

**Telus Corporation** ([TSX:T](#))([NYSE:TU](#)) is relatively young player, but it also pays regular dividends which are growing each year.

## CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
3. NYSE:ENB (Enbridge Inc.)
4. NYSE:TD (The Toronto-Dominion Bank)
5. NYSE:TU (TELUS)
6. TSX:BCE (BCE Inc.)
7. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
8. TSX:ENB (Enbridge Inc.)
9. TSX:T (TELUS)
10. TSX:TD (The Toronto-Dominion Bank)

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hanwar

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