



Retirees: How you Can Safely Earn \$500 a Month With Less Than \$100,000 in Savings

Description

[Retirees](#), do you wish you could earn money passively and without worry for the safety of your capital?

Utility and pipeline stocks are good sectors to look to for this, as their businesses are immune to economic activity and they have a strong track record of delivering dividend income and growth for shareholders.

Here I will discuss two such [dividend stocks](#) that would make great additions to your retirement accounts, such as your RRSP and even your TFSA, for their ability to provide shareholders with retirement income and safety of principle.

TC Pipelines LP ([TSX:TRP](#))([NYSE:TRP](#))

For more than 65 years, TC Pipelines has been developing and maintaining energy infrastructure, while handsomely rewarding shareholders.

TC Pipelines stock has more than doubled in the last ten years, all while delivering yearly dividend increases, which has brought the dividend per share from \$1.52 to \$3.00.

The stock has really outperformed since its lows of December 2018, which is unlike such a “safe” stock. Nevertheless, it has soared 31% since then, to 52-week highs of more than \$64.00.

We can expect TRP stock to continue to be a steady performer for years to come, providing retirees with a safe place to go to for dividend income and growth and retirement income.

Altagas Ltd. ([TSX:ALA](#))

Although we wouldn't know it just by looking at Altagas' stock price in recent history, the underlying business of Altagas is a defensive and stable one, qualities that can provide comfort to retirees looking

for retirement income.

Altagas is an energy infrastructure company that is supported by its regulated utility assets in North America, a diversified infrastructure platform of high-quality assets, much of it under long-term contracts, and its leading market position.

With a dividend yield of 5.4%, a 50% cash flow payout ratio, and continued asset sales and debt reduction, Altagas can be expected to win investor confidence back.

How to safely earn \$500 a month

If you buy 1150 shares of TRP, you will be investing \$73,600 in the stock and you will receive \$4650 in annual dividend income. Along with this, if you buy 1,400 shares of Altagas stock, you will be investing almost \$25,000 in the stock and receiving \$1,344 in annual dividend income.

This translates to just over \$500 of monthly dividend income.

Buy these two dividend stocks before earnings report?

These stocks are trading at attractive valuations, with dividends that are fairly predictable and secure and dividend yields that are highly attractive.

With interest rates expected to remain low, investors continue to have limited options for yield and these two dividend stocks are providing both high dividend yields and safety.

So yes, I would buy these dividend stocks ahead of their earnings report, as I believe Altagas has a strong possibility of beating because of the fact that expectations remain muted, and I believe that TransCanada remains a top-quality stock.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:TRP (Tc Energy)
2. TSX:ALA (AltaGas Ltd.)
3. TSX:TRP (TC Energy Corporation)

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