



Retirees: How You Can Earn \$600 a Month in Dividends With Less Than \$100K in Savings

Description

Those who have entered retirement often seek to reduce risk in their portfolios. However, a good retiree portfolio should be able to earn income to make savings last longer. Earlier this month, I focused on stocks that offer [high yields](#) to investors on the hunt for income. Investors should keep in mind that high-yield equities often carry more risk. The best strategy is to pursue stocks with a healthy mix of yield and a long history of dividend growth.

Today, we will focus on high-yield dividend stocks that can offer up to \$600 a month in dividends, even for a portfolio worth less than \$100,000. In this hypothetical scenario, we will go forward with a portfolio worth about \$90,000 as we move into late May. Portfolios for retirees should aim for a good degree of diversification to maintain security for investors as they wade through retirement. High yields are always nice, but investors should ideally seek out more conservative investments, even if it means sacrificing monthly gains.

Alaris Royalty (TSX:AD)

Alaris Royalty is a Calgary-based company that primarily invests in private operating entities. Shares have dropped over 30% over the past three years, but the stock has gained solid momentum in 2019 so far. Alaris stock had climbed 16.8% year over year as of close on May 15.

The company released its first-quarter 2019 results on May 6. Normalized EBITDA climbed to \$24.8 million compared to \$20.1 million in the prior year. Alaris estimates that annual general and administrative expenses for the full year will reach \$10 million. The company forecasts that it will generate an excess in free cash flow in 2019. Its dividend appears safe as we move into late May.

Alaris boasts a monthly dividend of \$0.1375 per share. This represents an 8.7% yield. That means a roughly \$45,000 investment in Alaris would net an investor about \$325 per month in income. Those on the hunt for high yields should consider Alaris this year.

Inter Pipeline (TSX:IPL)

Inter Pipeline is a Calgary-based company that operates crude oil pipelines, natural gas liquids extraction, and bulk liquid storage businesses in Canada and Europe. Shares had climbed 6.9% in 2019 as of close on May 15, but the stock had dropped 7.4% month over month. The company released its first-quarter results on May 9.

Inter Pipeline reported a year-over-year decline in funds from operations of \$42.7 million due to weakness in its NGL processing business. This was impacted by lower frac-spread pricing. Inter's conventional oil gathering business also encountered headwinds in the quarter. It is an unfortunate start to the year considering the price rebound oil and gas have enjoyed in the early months of 2019.

Regardless, Inter Pipeline declared a monthly dividend of \$0.1425 per share. This represents an attractive 8.2% yield. The same investment of approximately \$45,000 would net investors about \$307 in monthly income. The stock has achieved [dividend growth](#) for 10 consecutive years.

CATEGORY

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2. Investing

TICKERS GLOBAL

1. TSX:AD.UN (Alaris Equity Partners Income Trust)

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