



Retirees: 3 Stocks That Offer Huge Passive Income

Description

A recent survey from **Royal Bank of Canada** revealed that baby boomers are increasingly concerned about their retirement savings. In the past, I'd discussed some troubling statistics that show many Canadians are unprepared for retirement. The way to counter this is to [follow tested strategies](#). Building a financial plan certainly doesn't hurt either.

The Royal Bank survey found that boomers who have not yet retired are exploring other options, such as downsizing/moving, working into retirement, and borrowing against home equity. Driving further into debt is not a desirable way to sustain yourself in retirement. That is why today I want to go over another option: gobbling up passive-investment income. Below are three stocks that offer high yields that can give retirees a nice income boost.

Russel Metals

Russel Metals ([TSX:RUS](#)) is one of the largest metals distribution and processing companies in North America. Shares have dropped 13.5% over the past three months as of close on July 18. Steel prices have been throttled, as trade relations have improved between the three North American partners, and tariffs were eliminated in May 2019. This near-term price weakness has been bearish for Russel Metals.

The global economy has pulled back from the torrid pace it set in 2018. Steel and other commodity prices have predictably been hit in the fallout. Russel is navigating a challenging environment this year, but this also presents investors with the opportunity to add the stock at a discount.

Shares had an RSI of 32 as of close on July 18, putting the stock just outside technically oversold territory. The company last approved a quarterly dividend of \$0.38 per share, which represents a tasty 7.3% yield at the time of this writing.

Alaris Royalty

Alaris Royalty (TSX:AD) is primarily engaged in investing in private operating entities to pursue royalties for its shareholders. Shares of Alaris have climbed 21% in 2019 as of close on July 18. [Monthly income](#) may be more attractive to retirees who desire more regular payments. Fortunately, that is just what Alaris offers. It has achieved this by investing in strong companies with long histories of stability and secure cash flows.

The stock boasts a price-to-earnings ratio of 11, which is favourable in comparison to industry peers. Alaris last paid out a monthly dividend of \$0.1375 per share. This represents a monster 8.1% yield at the time of this writing. Investors can take solace in the fact that this company targets others with steady cash flows. This is required to sustain its hefty dividend payout for the long term.

Inter Pipeline

Inter Pipeline (TSX:IPL) is a petroleum transportation and infrastructure limited partnership; one of the largest in North America. The stock has overcome price weakness in the oil and gas sector, as shares have climbed 11% over the past month as of close on July 18. Shares are up 20% in 2019 so far.

The company reported record results in 2018 and is positioned to weather headwinds in 2019. Inter Pipeline stock has a solid P/E of 15. However, shares had an RSI of 77 as of close on July 18. This puts Inter Pipeline in technically overbought territory, so value investors may want to wait for a more favourable entry point.

Inter Pipeline stock last paid out a monthly dividend of \$0.1425 per share. This represents an attractive 7.6% yield at the time of this writing. The company has achieved dividend growth for 10 consecutive years.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:AD.UN (Alaris Equity Partners Income Trust)
2. TSX:RUS (Russel Metals)

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Author

aocallaghan

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