



Retirees: Make Your Money Last Longer With These 3 Dividend Stocks

Description

Outliving the retirement money is a nightmare to retirees. However, there is a way to avoid this dreadful situation in later years. You can [invest in dividend stocks that can deliver money for as long as you need it](#) during your retirement period.

Dividend forerunner

Bank of Montreal ([TSX:BMO](#))([NYSE:BMO](#)) is the hands-down choice of many Canadian retirees. This \$64.47 billion banking giant owns one of the longest active dividend payment streaks. It has been paying dividends since 1829 — a remarkable and incomparable feat.

Apart from having the lowest exposure to the Canadian housing market out of Big Five banks in Canada, BMO continues to fuel growth. This bank is capitalizing on its North American exposure while simultaneously expanding to other global markets.

Today, BMO provides a wide variety of banking services, including commercial and personal banking, plus wealth management and investment banking. The current yield of 4.21% can produce an annual passive income of \$10,525 from out of a \$250,000 retirement savings.

But the compelling reason to choose BMO is its potential upside. Analysts expect the price to rise by 8% in the next 12 months and the bank to grow at an annual rate of around 5.2% over the next five years.

Regulated industry

Canadian Utilities ([TSX:CU](#)) is a shoo-in to any retiree's stock portfolio. This dividend stock owns the longest streak of continuous increases. No Canadian company can match CU's 46 years of dividend raises. Also, the five-year dividend CAGR is about 10%.

But the best thing about this \$11 billion company is the regulated industry to which it belongs.

Canadian Utilities is the owner of several vital assets, such as the electricity generation facilities in Australia and Mexico. Other assets include the industrial water services in Canada, port terminals, and real estate properties.

Because its business is diversified and owner-operated, Canadian Utilities should be operating for the long term. Dividend investors should be content with the 4.32% dividend.

A \$125,000 investment in this utility stock can generate a monthly passive income of \$450. The amount is substantial enough to answer for some of your financial needs during the sunset years.

Utility powerhouse

Algonquin Power ([TSX:AQN](#))([NYSE:AQN](#)) is close to being a utility powerhouse in the broad energy industry in North America. This stock is now one of the top five holdings in some of Canada's utility ETFs particularly the XUT. Its renewable energy and regulated utility assets are growing.

The investments of Algonquin are in green and clean energy assets. The company actively operates hydroelectric, thermal, wind, and solar power facilities. Algonquin is a formidable Canadian company with built-in diversification beyond the domestic shores.

Its two operating subsidiaries handle sustainable utility distribution businesses like electricity, natural gas, and water. The operations are in U.S. states such as Arizona, California, Illinois, Missouri, and Texas, among others. At present, total assets stand at more than \$10 billion.

Notably, AQN has increased dividends for eight straight years and is currently paying a 4.01% dividend. The regulated assets of Algonquin should deliver healthy returns and provide [a dependable long-term income to retirees](#) for decades to come.

Long-term income

Retirees can prevent financial dislocation by investing in BMO, Canadian Utilities, and Algonquin Power. All companies can stretch your money and allow a problem-free retirement.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
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3. TSX:AQN (Algonquin Power & Utilities Corp.)
4. TSX:BMO (Bank Of Montreal)
5. TSX:CU (Canadian Utilities Limited)

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