



Retirees: Here Are 4 Safe Dividend Stocks to Buy and Hold Forever

Description

Although senior Canadian citizens are entitled to several government benefits, it is essential to supplement yourself with passive income to maintain your current lifestyle. Investing in high-yielding dividend stocks would be a convenient and cost-effective means to earn passive income. Given retirees' low risk-taking abilities, here are four Canadian stocks that you can buy right now.

Canadian Utilities

Canadian Utilities ([TSX:CU](#)), which is involved in power generation and utilities, has an excellent track record of rewarding its shareholder with dividends. The company has increased its dividends for the previous 49 straight years, which is the longest among Canadian public companies. Its five low-risk utility businesses generate a significant part of its earnings and cash flows, thus delivering stable financials. These steady cash flows have allowed the company to raise its dividends consistently. Currently, it pays quarterly dividends of \$0.4398 per share, representing a juicy dividend yield of 4.93%.

Meanwhile, the company has [planned](#) to invest around \$3.2 billion in regulated utility assets and secured growth energy infrastructure projects over the next three years. These investments could boost the company's earnings and cash flows, thus allowing the company to continue its dividend hikes. So, I believe [Canadian Utilities would be an excellent buy for income-seeking investors](#).

TC Energy

TC Energy ([TSX:TRP](#))([NYSE:TRP](#)) has raised its dividends for 21 previous years at an annualized growth rate of 7%. Currently, it pays quarterly dividends of \$0.87 per share, representing a forward dividend yield of 5.38%. Meanwhile, the company operates highly regulated energy infrastructure facilities, with around 95% of its adjusted EBITDA generated from regulated assets or long-term contracts, thus delivering stability to its financials. Supported by these stable financials, the company has raised its dividends consistently.

Meanwhile, TC Energy has planned to invest around \$20 billion over the next four years, raising its rate

base and boosting its financials. Supported by these initiatives, the company expects to increase its dividends in the range of 5-7% over the next few years. Also, the company's financial position looks healthy, with its cash and cash equivalents standing at \$2.26 billion as of March 31.

NorthWest Healthcare Properties REIT

NorthWest Healthcare Properties REIT ([TSX:NWH.UN](#)) can be an excellent buy for income-seeking investors, given its highly defensive and diversified healthcare portfolio, which has spread across seven countries. In addition, given its long-term contracts and government-backed clients, the company enjoys high occupancy and collection rate, thus delivering stable and predictable earnings and cash flows.

NorthWest Healthcare continues to expand its footprint in Australia, the United States, and Western Europe. Last month, the company had signed an agreement to acquire Australian Unity Healthcare Property Trust for \$2.6 billion. The company continues to raise funds through new equity offerings to facilitate its acquisitions. So, the company's growth prospects look healthy. Meanwhile, the company pays a monthly dividend, with its forward yield currently standing at 6.14%.

Fortis

My final pick would be **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)), which operates 10 regulated utility businesses. These low-risk businesses generate stable and predictable cash flows, allowing the company to raise its dividends for the previous 47 consecutive years consistently. It currently pays quarterly dividends of \$0.505 per share, with its forward dividend yield standing at 3.58%.

Meanwhile, Fortis's management has planned to make a capital investment of around \$19.6 billion over the next five years, boosting its rate base at a CAGR of 6%. Thus, the rate base growth and favorable rate revisions could increase its financials in the coming years. Its financial position also looks healthy, given its access to credit facilities of \$4 billion, while its cash and cash equivalents stand at \$317 million.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:FTS (Fortis Inc.)
2. NYSE:TRP (Tc Energy)
3. TSX:CU (Canadian Utilities Limited)
4. TSX:FTS (Fortis Inc.)
5. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
6. TSX:TRP (TC Energy Corporation)

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