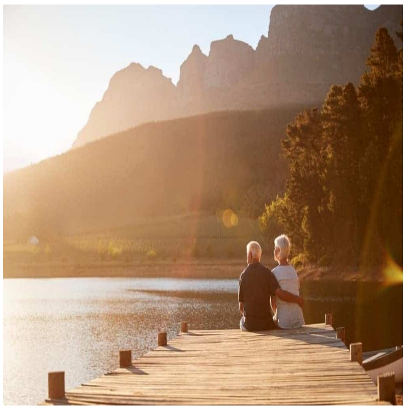

Canadian Retirees: 3 High-Quality Dividend Stocks to Buy and Hold Forever

Description

For retirees, investments in high-quality dividend stocks offer a great way to increase passive income. These investments look even more attractive when the stocks are held in a Tax-Free Savings Account (TFSA).

All dividends paid out through a TFSA are completely tax free, allowing retirees to build a reliable income stream which can supplement any other retirement income. Consider an investment in top dividend stocks like **Canadian Imperial Bank of Commerce** (TSX:CM)(NYSE:CM), **TELUS** (TSX:T)(NYSE:TU), and **Power Corporation of Canada** (TSX:POW).

Canadian Imperial Bank of Commerce

For over 150 years, Canadian Imperial Bank of Commerce, CIBC, has been providing financial products and services to clients in Canada. With its presence in the U.S. and internationally, CIBC currently operates four strategic business units: Canadian Personal and Business Banking, Canadian Commercial Banking and Wealth Management, U.S. Commercial Banking and Wealth Management, and Capital Markets.

In its latest quarterly earnings report, CIBC handily beat estimates by posting revenue of $3.92 billion for the quarter ended April 2021. This marked the second time in the last four quarters that the bank has topped consensus revenue estimates.

CIBC has a dividend yield of 3.99%, with shares trading at $145.88, as of this writing.

TELUS

Vancouver-based TELUS boasts 16 million subscriber connections. These customers include nine million mobile phone subscribers, 1.8 million mobile connected device subscribers, and 2.1 million internet subscribers.

In its recent earnings report, TELUS generated operating revenue of $4 billion, up 8.9% year over year. The company continued to grow its customer base while maintaining an incredibly low churn rate of less than 1% in its mobile phone, internet, and TV segments.

As an added bonus for investors, TELUS also announced a dividend-rate hike of 8.6%.

With shares trading at $27.61 as of this writing, the dividend yield is 4.58%.

In an effort to achieve its goal of net carbon neutrality in its operations by 2030, TELUS recently released its 2020 Sustainability Report. This report outlines the company's environmental, social, and governance strategy and priorities.

Making good on its promises, in early June, TELUS became the first national telecom in Canada to set science-based GHG (greenhouse gas emissions) reduction targets approved by the Science Based Targets initiative.

Power Corporation of Canada

Nearing its 100th anniversary, Power Corporation of Canada, or POW, operates as an international management and holding company in North America, Europe, and Asia. The company operates through three segments: Lifeco, IGM Financial, and GBL.

Thanks to significant gains in its life insurance business, POW recently announced its third-quarter profit, up almost three times higher than a year ago.

The company's profit was $556 million in the first quarter of 2021 compared with $200 million at the same time last year. Great-West Lifeco net earnings increased 107% to $707 million from $342 million a year earlier.

POW has a dividend yield of 4.51%, with the stock trading at $39.94, as of this writing.

The bottom line

A TFSA portfolio that consists of high-quality dividend stocks can add significant passive revenue to your overall retirement income.

If you are searching for ways to supplement your payments from Old Age Security and the Canada Pension Plan, consider a TFSA. Since the income is not taxed, a TFSA makes an ideal method to reliably increase your income. And companies that consistently pay hefty dividends, such as CIBC, TELUS, and Power Corporation, are an excellent choice.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:CM (Canadian Imperial Bank of Commerce)
2. NYSE:TU (TELUS)
3. TSX:CM (Canadian Imperial Bank of Commerce)
4. TSX:POW (Power Corporation of Canada)
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