



## Retirees: Boost Your Passive Income With These 4 Reliable Dividend Stocks

### Description

Retirees usually have lesser risk-taking abilities given their reduced earning capacity, increasing healthcare spending, and longevity risks. So, they should invest in fundamentally strong companies that generate stable cash flows and pay dividends at a healthier rate. Meanwhile, here are four such stocks that are worth considering.

### Canadian Utilities

**Canadian Utilities** ([TSX:CU](#)) is an energy infrastructure company that serves over two million customers by meeting their utility needs, such as electricity and natural gas. Its low-risk utility businesses generate the bulk of its earnings, thus delivering stability to its cash flows. These steady cash flows have allowed the company to raise its dividends for the last 49 years — the longest among Canadian public companies. It currently pays a quarterly dividend of \$0.4398, with its forward yield standing at 5.07%.

Meanwhile, Canadian Utilities has [planned](#) to invest around \$3.2 billion over the next three years, growing its rate base at a CAGR of 2% to \$14.8 billion by 2023. Along with these investments, the favourable rate revisions could boost the company's financials in the coming years, thus allowing it to continue with its dividend growth.

### BCE

**BCE** ([TSX:BCE](#))([NYSE:BCE](#)) is my second pick. Given its large and growing customer base and a significant percentage of revenue coming from recurring sources, its cash flows are stable. The company is aggressively investing in the next-generation digital infrastructure to provide high-speed, reliable internet services. It recently acquired 271 new licences, which could help expand its 5G service across the country.

Along with these investments, the improvement in economic activities amid the easing of restrictions and increased digitization could boost BCE's financials in the coming years. Meanwhile, the company

has also rewarded its shareholders by raising its dividends consistently since 2008. Currently, its forward yield stands at an impressive 5.4%. So, [BCE would be an excellent buy for income-seeking investors](#).

## Algonquin Power & Utilities

Third on my list is **Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)), which provides utility services to around one million customers across North America. It also operates rate-regulated renewable power-generating facilities. Given its low-risk and regulated businesses, the company generates stable cash flows, which has allowed it to raise its dividends by over 10% each year for the last 11 years. Its forward dividend yield currently stands at a healthy 4.46%.

Meanwhile, Algonquin Power & Utilities is focusing on building its utility and renewable assets and has planned to invest around \$9.4 billion through 2025. The company could also benefit from the rising transition towards cleaner energy. So, given its healthy growth prospects and steady cash flows, AQN would be an excellent buy for retirees.

## NorthWest Healthcare

**NorthWest Healthcare Properties REIT** ([TSX:NWH.UN](#)), which owns and operates 190 healthcare properties, is my final pick. Despite the pandemic, the company is enjoying higher occupancy and collection rate, thanks to its highly defensive portfolio, long-term agreements, and government-backed tenants. A significant part of its rent is inflation-indexed, which is encouraging.

Meanwhile, NorthWest Healthcare is focusing on expanding its footprint in Europe and Australia and has raised around \$200 million. The company has around \$350 million worth of projects in the construction or approval stage. These investments could boost its earnings and cash flows in the coming years, thus allowing it to continue paying dividends at a healthier rate. Meanwhile, it pays monthly dividends, with its forward yield currently standing at a juicy 5.95%.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:BCE (BCE Inc.)
3. TSX:AQN (Algonquin Power & Utilities Corp.)
4. TSX:BCE (BCE Inc.)
5. TSX:CU (Canadian Utilities Limited)
6. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

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