



Canadian Retirees: 2 Top Dividend Stocks to Buy Right Now

Description

Canadian retirees have constantly faced uncertainty over their investment returns due to the volatility created by the pandemic and its economic fallout since COVID-19 struck. The current pullback in the stock market could devastate their shareholder returns from investments in stocks affected by the broader decline.

Rather than seeking long-term wealth growth like younger investors, the focus for Canadian retirees is more on [earning passive income](#) that they can rely on to provide them with the necessary boost to their retirement income in the short term.

[Dividend investing](#) is arguably one of the best ways to supplement your income with passive income, because investing in the right high-quality companies can provide you with income at better rates than any fixed-income assets.

Today, I will discuss two Canadian dividend stocks that retirees and other investors seeking passive income should consider buying for attractive shareholder dividends.

Algonquin Power & Utilities

Algonquin Power & Utilities ([TSX:AQN](#))([NYSE:AQN](#)) is trading for \$18.68 per share at writing, and the \$11.57 billion market capitalization stock boasts a juicy 4.63% dividend yield. The stock is down by 10.11% year to date, making it an attractive stock to pick up for its discounted share price, because it can provide you with decent returns when it recovers after the weakness in the market subsides.

The water and electric utility service provider also boasts a considerable portfolio of diversified renewable power-generation assets. The company boasts an excellent track record for organic and acquisition-based growth. The dividend stock increased its payouts by 10% in 2021, and we could see more double-digit dividend hikes in the coming years.

Growing demand for renewable energy can provide it with the boost it needs to continue delivering shareholder dividends for years to come.

BCE

BCE ([TSX:BCE](#))([NYSE:BCE](#)) is trading for \$63.09 per share at writing, and the \$57.14 billion market capitalization giant in Canada's telecom sector boasts a juicy 5.55% dividend yield. Like most other stocks on the TSX, the broader market pullback has caused its share price to decline. BCE stock is down by 5.77% from its share price on September 8, making it an excellent stock for long-term investors to buy on the dip.

The company continues to invest billions into its network infrastructure to remain competitive in the industry. With a \$2 billion investment in its 5G network underway, BCE could become Canada's leading 5G provider. Capitalizing on the next step in communications technology innovation could allow the company to unlock several new doors for revenue growth.

The company generates ample free cash flows through its services, allowing it to fund its capital expenses and generous shareholder dividends, making it an attractive stock for income-seeking investors.

Foolish takeaway

Algonquin Power & Utilities stock and BCE stock are both high-quality dividend stocks that are ideal investments for Canadian retirees who want to [generate superior returns](#) to earn passive income to supplement their retirement income.

The companies pay shareholder dividends at attractive yields and provide you with virtually guaranteed payouts due to strong fundamentals and cash flows. If you are worried about the current market uncertainty affecting your shareholder returns, it might be ideal to add these two stocks to your income-focused investment portfolio.

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.)

PARTNER-FEEDS

1. Business Insider

2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. adamothonman
2. kduncombe

Category

1. Dividend Stocks
2. Energy Stocks
3. Investing

Date

2025/08/23

Date Created

2021/10/09

Author

adamothonman

default watermark

default watermark