



3 Canadian Dividend Stocks That Belong in Every Retirement Portfolio

Description

Canadian Dividend stocks are some of the most important investments for retirement portfolios. Not only do retirees need more income coming in each month, but dividend stocks are also typically some of the safest and most resilient businesses, especially if you know which industries to invest in.

The best businesses to own are, of course, high-quality companies that are highly stable. These companies have robust operations and can earn a profit no matter what the situation with the economy. And most of the time, they are low-volatility stocks because they pay a significant dividend which is safe. And this is highly attractive, especially during recessions or bear markets.

So with that in mind, here are three of the best dividend stocks in Canada that belong in every retirement portfolio.

A top Canadian utility stock for retirement portfolios

[Utility stocks](#) are some of the best and safest stocks. This makes them excellent dividend stocks for a retirement portfolio. In Canada, there are plenty of high-quality utility stocks to consider. One company with attractive dividend yields is **Emera** ([TSX:EMA](#)), at 4.5%.

The company has utility operations in six countries, including Canada, the United States, and throughout the Caribbean. In total, Emera serves over 2.5 million customers showing just how big and diversified its business is.

What's most attractive about utility stocks, though, in addition to how resilient they are, is that they are almost guaranteed to increase their dividends each year. This makes them ideal dividend growth stocks and helps ensure that investors are seeing growth in their passive income each year.

So if you're looking for a high-quality Canadian dividend stock for a retirement portfolio, Emera is one of the best companies to buy today.

A top Canadian telecom stock

Another highly safe industry to find dividend stocks in is telecommunications. Stocks like **Telus** ([TSX:T](#)) ([NYSE:TU](#)) offer incredible resiliency even though they aren't rate-regulated like utilities. Over the course of the pandemic, Telus's revenue has continued to grow each quarter. Plus, it offers even more potential for long-term growth than a utility stock, both in the dividend and the share price.

Telus has been a top growth stock for years, and with [5G technology](#) rolling out across the country, it has a huge runway for growth ahead of it.

Over the last five years, Telus has earned investors a total return of more than 63%, or a compound annual growth rate above 10%. Meanwhile, its dividend payments have increased by more than 30%.

So the income investors are seeing from their investment in Telus grew by more than 30% in just five years. Today, it yields roughly 4.5%. This is why Telus is such a top Canadian dividend stock and a perfect investment for retirement portfolios. It's highly safe first and foremost but also offers a tonne of low-risk growth potential.

A top consumer staple stock

Last is a consumer staple stock, another company in an incredibly resilient industry. Many of the large consumer staple stocks don't offer that much of a yield, though. However, **North West Company** ([TSX:NWC](#)) is an exception. Its stock currently yields roughly 4.4%.

Just like the other two stocks on the list, North West is highly resilient. And also, just like the other two, it's a Dividend Aristocrat. So you know that North West is one of the best Canadian dividend stocks you can buy, especially for a retirement portfolio.

The company mainly operates grocery stores and supermarkets in remote communities in Northern Canada and Alaska. This is an extremely safe business for a few reasons. First, selling staples and essential items is a great business because it's already naturally recession-proof. Plus, because it mostly operates in remote communities, the company faces little competition.

In recent years North West has been focusing on improving the efficiency of its operations, and its margins have improved considerably. So if you're looking for a high-quality Canadian dividend stock to buy for a retirement portfolio, North West is an excellent stock to consider.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:TU (TELUS)
2. TSX:EMA (Emera Incorporated)
3. TSX:NWC (The North West Company Inc.)

4. TSX:T (TELUS)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News

PP NOTIFY USER

1. arosenberg
2. danieldacosta

Category

1. Dividend Stocks
2. Investing

Date

2025/07/22

Date Created

2021/10/15

Author

danieldacosta

default watermark

default watermark