Retirees: 2 Top Dividend Stocks to Buy for Lifelong Passive Income

Description

The pullback in the **S&P/TSX Composite Index** is well behind Motley Fool investors. A strong earnings season sent shares climbing again and again, up over 5% in the last month as of writing. The economy seems to be in full recovery, with more good news likely from the holiday season approaching. However, that doesn't mean there aren't strong dividend stocks to buy.

In fact, there are several strong stocks to consider during this time – and not simply from the dividend yield or from strong growth. Instead, it's from these quality dividend stocks moving in a solid positive direction for retirees.

If you have a Tax-Free Savings Account (TFSA) dividend stocks are the perfect option to set you up for long-term growth. You can create wealth now and see it through to retirement. Or take it out sooner, tax-free! So let's dig into two dividends stocks I would consider based on recent movement.

BCE: The market share holder

Now there are some who argue that **TELUS** is the telecommunications company to beat right now, and I can see why. The company has rolled out 5G and wireline at a strong rate. However, **BCE** (TSX:BCE)(NYSE:BCE) remains the best in my books. That's because it holds 60% of the Canadian market. And it's currently rolling out 5G and fibre-to-the-home as well.

When that revenue hits, that's consistent, growing, recurring revenue that won't create any more significant costs for the company. In fact, it *reduces* them! Yet investors are missing the bigger picture. The recent earnings report fell in line with analyst estimates, rather than beating them. Yet it remained confident of reaching full-year guidance. This sent shares lower, creating a great opportunity for long-term Motley Fool investors.

Shares in BCE stock are up 15% year to date, trading at a P/E ratio of 19.3. It boasts a solid dividend yield of 5.53% as of writing. That's $1,111 annually from a $20,000 investment.

Suncor: The dividend's back!

Suncor Energy (TSX:SU)(NYSE:SU) is Canada's largest fully integrated energy producer. Yet it's had a tough year, slashing its dividend in half back in February 2020. However, that dividend is now back, doubling it during Suncor stock's latest earnings report.

This shows Motley Fool investors that the passive income they hoped for is now supported. Dividend stocks don't like to slash dividends, but this company had to during turbulent times. But the recent earnings report shows it's back on track and finding clean energy solutions to bolster long-term revenue to boot.

Shares of Suncor stock are up 43% year to date, yet it still trades at a P/E ratio of 20.75. Further, it supports a new dividend yield of 5.10%! That's an annual passive income of $1,018 from a $20,000 investment.

Foolish takeaway

BCE stock and Suncor stock are two solid dividend stocks that Motley Fool investors can hold for decades on the **TSX** today. Retirees seeking passive income in retirement can add these to their TFSA and generate income without the tax implications of other retirement funds.

Every penny counts when you retire, so make sure your savings are solid. That comes not just from actively adding savings, but *actively* investing. Seeking help from your financial advisor is always a good idea, so discuss whether these options are right for you.

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