



## Retirees: 2 Top Passive-Income Stocks to Buy

### Description

Surging inflation rates have slowly started to take hold of the stock market, and we are seeing the impact reflected through the broader market's performance. The **S&P/TSX Composite Index** is down by 5.71% from its April 19 levels at writing. The Bank of Canada and other policymakers are taking measures to cool down Canada's red-hot inflationary environment.

Introducing several interest rate hikes will likely cool off the inflation, but it will take time to deliver results. Until inflation cools down, Canadian investors will have to contend with higher living costs. Canadian retirees relying on their investment returns to see them through their golden years with well-executed [retirement planning](#) are understandably worried right now.

Retirees rely on various pension plans and passive-income streams by investing their retirement nest eggs. If you are worried about diminishing returns, you might want to consider rebalancing your retirement income portfolio to include more dividend-paying stocks.

Reliable income-generating assets that deliver uninterrupted shareholder dividends can help you create a passive-income stream that boosts your retirement income.

Today, I will discuss two such dividend stocks that you could consider adding to your portfolio.

### Bank of Montreal

**Bank of Montreal** ([TSX:BMO](#))([NYSE:BMO](#)) is an \$88.33 billion market capitalization Canadian multinational investment bank and financial services company headquartered in Toronto. One of Canada's Big Six banks, BMO stock is not immune to the impact of market volatility, but it has a wide enough economic moat to weather the storm.

The company boasts a dividend payment streak of 193 years that proves its reliability for income-seeking investors.

Bank of Montreal stock trades for \$136.21 per share at writing, and it boasts a juicy 3.91% dividend

yield. The bank stock boasts an extensive track record for delivering uninterrupted quarterly cash distributions to its shareholders.

If you want to invest in a portfolio of reliable income-generating assets, BMO stock could be an ideal investment to begin creating such a portfolio.

## Canadian Utilities

**Canadian Utilities** ([TSX:CU](#)) is a [top utility stock](#) to consider if you want to create a passive-income stream. Canadian Utilities is a \$10.54 billion market capitalization utility company headquartered in Calgary. CU stock generates over 75% of its revenue through long-term contracted and rate-regulated utility assets.

Its predictable cash flows combine with its energy infrastructure business to make it easier for the company to fund its growing shareholder dividends.

Canadian Utilities stock trades for \$38.62 per share at writing, and it boasts a juicy 4.60% dividend yield. The Canadian Dividend Aristocrat announced its latest dividend hike on January 13, 2022, marking 50 consecutive years of dividend increases.

If you want to create a reliable passive-income stream without worrying too much about capital gains, Canadian Utilities stock could be an excellent investment for such a portfolio.

## Foolish takeaway

Creating a passive-income stream that helps you get superior returns out of your retirement nest egg can help you boost your retirement income and contend with the inflationary environment.

It remains to be seen how long it will take for [inflation in Canada](#) to cool down. Until then, a reliable income-generating portfolio could help you meet your needs for monthly expenses.

Bank of Montreal stock and Canadian Utilities stock could be ideal assets to buy and hold as core foundations of such a portfolio.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. TSX:BMO (Bank Of Montreal)
3. TSX:CU (Canadian Utilities Limited)

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