



Retired Investors: Strengthen Your Portfolio With These 3 Stocks

Description

As a [retired investor](#), it's essential that you invest in *safer* companies. This is because you don't have the luxury of time on your hands, when it comes to being able to wait out prolonged periods of market uncertainty. That means the stocks you invest in should be able to succeed in most economic conditions. This is even true if you're focused on dividend stocks. In this article, I'll discuss three stocks that could strengthen your source of passive income as a retired investor.

Start with one of the best stocks around

When I think of safe dividend companies that also provide an attractive yield, **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) is usually the one that comes to mind. If you're unfamiliar, Fortis provides regulated gas and electric utilities to customers across Canada, the United States, and the Caribbean. Because of the nature of its business, Fortis is able to take advantage of a steady revenue stream, which results in a reliable dividend.

Fortis is listed as a Canadian Dividend Aristocrat. It has increased its dividend distribution in each of the past 47 years. To put that into perspective, Fortis has managed to increase its dividend, despite having to operate through the Great Recession and the COVID-19 pandemic. Those are two global events that caused many dividend companies to halt dividend increases. Currently, Fortis stock offers investors a forward dividend yield of 3.30%.

The banks have always been good dividend stocks

Another avenue that investors could take would be to buy one of the Canadian banks. This industry is led by a group of companies known as the Big Five. Because these companies have dominated the industry for so long, the moat that they've established is quite formidable. That means it'll be very hard for competitors to surpass these industry leaders.

If I had to pick one bank out of that leading group, it would be **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)). The reason for this being the company's outstanding geographic diversification. Nearly a

third of its earnings in 2021 came from sources outside Canada. Bank of Nova Scotia has [paid shareholders a dividend](#) in each of the past 189 years. Its current forward dividend yield is 4.91%.

This outstanding company would be a good buy

Finally, retirees should consider investing in **Telus** ([TSX:T](#))([NYSE:TU](#)). This company is well known for its large presence within the Canadian telecom industry. It operates the largest telecom network in Canada, providing coverage to 99% of the country's population. In addition to its telecom business, Telus is an emerging leader within the healthcare space. With a growing number of services in that area, Telus is proving to be a company to be reckoned with.

Another Canadian Dividend Aristocrat, Telus has increased its dividend distribution in each of the past 17 years. Its forward dividend yield is a very attractive 4.26%. In addition, investors should note that the company aims to maintain a dividend-payout ratio of 60-75% of free cash flow.

CATEGORY

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2. NYSE:FTS (Fortis Inc.)
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