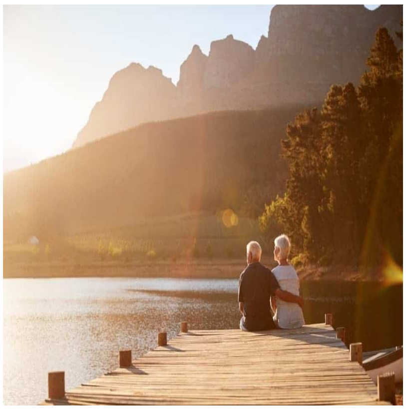

Canadians: 3 Easy Stocks to Invest for Retirement

Description

No matter if Canadians are already retired or have years until retirement; you can benefit from investing in stable dividend stocks for income. Here are three easy stocks to invest in right now.

A dividend stock for stability

Retirees probably prefer stocks with stable business performance. Canadians choosing stocks they can hold through retirement might like this trait as well. **Fortis** (TSX:FTS)(NYSE:FTS) is an easy stock to buy now for stability.

The leading North America utility is diversified across 10 regulated utility businesses. It has increased its dividend by about 6% per year in the last one-, three-, five-, and 10-year periods. As it has a sustainable payout ratio and a multi-year capital plan to grow its rate base by about 6% annually, its growth profile is likely to stay more or less consistent with this history.

Fortis stock has one of the longest dividend-growth streaks on the **TSX**. It has increased its dividend for almost half a century!

The predictable utility dipped approximately 13% from its 52-week high. So, it's a nice buy here for a starting yield of 3.8%. Its payout ratio is estimated to be about 79% this year.

Analysts have a 12-month price target of $61.57 on the utility right now, which represents 8.8% near-term upside. Combined with the 3.8% dividend yield, that's a potential 12-month return of 12.6%, which is quite respectable, in a low-risk dividend stock.

Get juicy passive income from this bank stock

Other than stability, retirees also want more income. In fact, any Canadian investor can benefit from earning more income from **Bank of Nova Scotia** (TSX:BNS)(NYSE:BNS) now. Because of its unique exposure to developing countries in the Pacific Alliance region, in the current high inflation, high interest rate economic environment, it's expected to have slower growth versus some of its big Canadian bank peers. Consequently, it trades at a wider discount to its intrinsic value.

At $71.35 per share at writing, BNS stock trades at about 8.5 times earnings. This is a meaningful discount of close to 27% from its long-term normal valuation. Importantly, as the stable bank has maintained a safe dividend, the relatively low valuation has pushed its dividend yield to about 5.8%. This is absolutely attractive passive income for Canadian investors. The bank stock's payout ratio is sustainable at below 50%.

Enjoy a good mix of stability and income from this REIT

Canadian investors, particularly retired investors, would love **NorthWest Healthcare Properties REIT** (TSX:NWH.UN) for its mix of stability and income. The stock has below-average market volatility, supported by a business that generates highly predictable cash flows.

The global healthcare REIT earns rental income from more than 2,100 tenants across eight countries. Because of the essential nature of its healthcare properties, including hospitals and healthcare facilities, the stable REIT maintains a high occupancy of approximately 97%. Importantly, it could benefit from a higher inflationary environment, as 82% of its rents are indexed to inflation. Its cash flow also has a long-term weighted average lease expiry of 14 years.

The healthcare REIT stock has corrected 15% from its 52-week high. Since it now yields almost 6.6%, it's a good consideration for income.

CATEGORY

1. Dividend Stocks
2. Investing

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2. NYSE:FTS (Fortis Inc.)
3. TSX:BNS (Bank Of Nova Scotia)
4. TSX:FTS (Fortis Inc.)
5. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

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