



These 2 Canadian Dividend Stocks Are a Retiree's Best Friend

Description

It's always highly recommended that you start your retirement planning at an early age. If you start saving, even a little bit, from your regular income each month and invest it in some quality [Canadian dividend stocks](#), you can expect to retire early without any financial worries. In this article, I'll talk about two of the best dividend stocks in Canada that you can buy right now and hold till retirement to get outstanding returns on your investments.

My first top Canadian dividend stocks pick for retirees

In stock investing, you should always pay attention to the [fundamental](#) outlook and the past financial growth track record of a company before pouring hard-earned savings into it. On the one hand, some growth stocks can multiply your money in just a few years, they usually involve huge risks. On the other hand, fundamentally strong dividend stocks could consistently yield a steady return on your investment for decades without increasing your risk profile. Keeping this risk factor in mind, retirees should always try to invest most of their portfolio in quality dividend stocks.

Speaking of safe dividend stocks for retirees in Canada, **Canadian Natural Resources** ([TSX:CNQ](#)) could be a great stock choice. This Calgary-headquartered oil and gas stock has a [market cap](#) of \$91.7 billion, as it trades at \$82.09 per share with an outstanding 57% year-to-date gain. By comparison, the **TSX Composite** has seen over 9% value erosion in 2022 so far.

To give you an idea about the ongoing strength in its financial growth trends, Canadian Natural's total revenue rose 186% in the five years between 2016 and 2021. The company registered an outstanding 1,125% jump in its adjusted earnings during the same period. Moreover, its financial strength, a very balanced, diverse portfolio of low-decline [assets](#), and consistent focus on new acquisitions make it one of the best stocks to invest in for [retirement planning](#).

At the current market price, this Canadian dividend stock offers a decent annual yield of around 3.7%, which could help you earn reliable passive income as long as you want.

And a great bank dividend stock for retirees

If your primary focus in stock investing is to grow your savings by the time you retire without taking many risks, you should ideally stick to some [large-cap](#) dividend stocks. Considering that, **Royal Bank of Canada** ([TSX:RY](#)) could prove to be a retiree's great friend. This largest Canadian bank currently has a market cap of \$176.1 billion, as its stock hovers at \$125.72 per share after witnessing nearly 6% value erosion this year.

Royal Bank's diversified business model allows it to maintain a robust balance sheet and focus on careful risk management, which has helped it deliver outstanding shareholder value for decades. These are some of the reasons why its financial services business remains largely unaffected by temporary economic downturns. Given its consistently growing personal and commercial banking operations, you could expect RY stock to deliver healthy returns on your investments in the long run. In addition, this amazing Canadian dividend stock offers a strong yield of 4.1% at the current market price.

CATEGORY

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2. NYSE:RY (Royal Bank of Canada)
3. TSX:CNQ (Canadian Natural Resources Limited)
4. TSX:RY (Royal Bank of Canada)

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