



## Canadian Retirees: 2 Dividend Stocks to Buy for Reliable Passive Income

### Description

The Old Age Security (OAS) benefit prevents [Canadian seniors](#) from retiring destitute, and others will have more if they are eligible to receive Canada Pension Plan (CPP). However, like most retirees worldwide, they would want to invest in dividend stocks if finances allow them to boost retirement income further.

**Toronto-Dominion Bank** ([TSX:TD](#)) and **TELUS** ([TSX:T](#)) are among the established dividend payers on the TSX. Both are reliable passive-income providers, regardless of the economic environment. You would also delight in the attractive dividend offers today.

### Powerful brand

There's no debate that Canada's banking sector is a bedrock of stability. Also, any Big Five bank stocks can be a cornerstone in your portfolio. However, TD stands out because it boasts the highest dividend growth rate compared to its peers. At \$91.70 per share (+5.74% year to date), the dividend yield is 4.15%.

With a market cap of \$166.95 billion, TD is the second-largest Canadian bank and publicly listed company after **Royal Bank of Canada**. Its dividend track record of 165 years is an incredible feat and should give retirees the confidence to invest.

In the 2008 financial crisis, TD was the only company that reported steady revenue and earnings growth. For fiscal 2022 (12 months ended October 31, 2022), total revenue and net income climbed 42.2% and 76.4% to \$15.56 billion and \$6.67 billion versus fiscal 2021.

Bharat Masrani, TD Bank Group's president and chief executive officer (CEO), said the strong results in fiscal 2022 demonstrate the benefit of the diversified business model. He added, "We enter 2023 from a position of strength, with growing businesses and a powerful purpose-driven brand."

TD is second to RBC in Brand Finance's Canada 100 2022 most valuable brands, although it ranked first in 2020 and 2021. According to Masrani, the complex operating environment, geopolitical tensions,

and possible economic slowdown are the headwinds for the big bank this year.

However, the high interest rate environment and closing of previously announced acquisitions are tailwinds. TD expects to complete its purchase of Memphis, Tennessee-based First Horizon in the first half of fiscal 2023. The Canadian bank will become a top-six bank in the U.S. once it seals the deal.

## Top telco brand

TELUS is the second-largest telco in Canada after **BCE**, but it's the most valuable [telco brand](#) in the Canada 100 2022 Annual Brand Value Ranking. Its dividend track record isn't as extensive as TD's, although it has earned Dividend Aristocrat status owing to 18 consecutive years of dividend increases.

At \$28.47 per share (+8.96% year to date), you can partake of the 4.85% dividend yield. Performance-wise, the 5G stock's total return in 20.02 years is 1,391.53% — a compound annual growth rate of 14.45%. Its president and CEO Darren Entwistle said TELUS boasts a highly differentiated and powerful asset mix geared towards high-growth, technology-oriented verticals.

Management maintains a robust business outlook and is confident about sustaining its industry-leading multi-year dividend-growth program. The dividend hike in the third quarter of 2022 was 7.2%.

## Rock-steady dividends

TD and TELUS won't disappoint new and old investors, including Canadian retirees, seeking additional income streams in the sunset years. The dividend yields aren't the highest in the market, but the payouts should be rock steady for decades.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:T (TELUS)
2. TSX:TD (The Toronto-Dominion Bank)

### PARTNER-FEEDS

1. Business Insider
2. Flipboard
3. Koyfin
4. Msn
5. Newscred
6. Quote Media
7. Sharewise
8. Smart News
9. Yahoo CA

## PP NOTIFY USER

1. cliew
2. kduncombe

### Category

1. Dividend Stocks
2. Investing

### Date

2025/06/27

### Date Created

2023/02/11

### Author

cliw

default watermark

default watermark