

## 3 Great Dividend Stocks for Your RRSP

### Description

Opening and contributing to a registered retirement savings plan (RRSP) is a great way to set money aside for retirement, and dividend stocks are ideal investments for these accounts. With this in mind, let's take a look at three with high and safe yields of 3-5% that you could buy right now.

#### 1. Telus Corporation

**Telus Corporation** ([TSX:T](#))([NYSE:TU](#)) is Canada's third-largest telecommunications company with approximately 12.44 million total customer connections, and it's the country second-largest wireless carrier, its third-largest provider of Internet, and its third-largest provider of television services.

It pays a quarterly dividend of \$0.46 per share, or \$1.84 per share annually, which gives its stock a yield of about 4.4% at today's levels.

Investors must also make the following two notes regarding its dividend.

First, Telus's three dividend hikes since the start of 2015, including its 5% hike in May 2015, its 4.8% hike in November 2015, its 4.5% hike last month, have it on pace for 2016 to mark the 13th consecutive year in which it has raised its annual dividend payment.

Second, the company has a dividend-per-common-share growth target of 7-10% annually through 2019, making it one of the market's top dividend-growth plays.

#### 2. TMX Group Limited

**TMX Group Limited** ([TSX:X](#)) operates cash and derivative markets for multiple asset classes, including equities, fixed income, and energy. It also provides clearing facilities, data products, and related services to financial institutions around the world.

It pays a quarterly dividend of \$0.40 per share, or \$1.60 per share annually, which gives its stock a yield of about 3% at today's levels.

Investors must also make the following two notes regarding its dividend.

First, TMX Group has maintained its current annual dividend rate since 2011.

Second, I think the company's consistent amount of operating cash flow, including \$250.3 million in fiscal 2015 and \$56 million in the first quarter of fiscal 2016, will allow it to continue to maintain its current annual dividend rate for the foreseeable future.

#### 3. Valener Inc.

**Valener Inc.** (TSX:VNR) serves as an investment vehicle in the following two companies:

1. Gaz Metro (29% ownership stake): The largest distributor of natural gas in Quebec and Vermont, and a major distributor of electricity in Vermont.
2. Seigneurie de Beaupre Wind Farms (24.5% ownership stake): One of Canada's largest owners and operators of wind power facilities.

It pays a quarterly dividend of \$0.27 per share, or \$1.08 per share annually, which gives its stock a yield of about 4.8% at today's levels.

Investors must also make the following two notes regarding its dividend.

First, Valener's two dividend hikes since the start of 2015, including its 4% hike in February 2015 and its 3.9% hike in November 2015, have it on pace for 2016 to mark the second consecutive year in which it has raised its annual dividend payment.

Second, the company has a dividend-per-common-share growth target of 4% annually through 2018, and I think its strong financial performance will allow it to extend this target or announce a new one as 2018 nears.

## CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

1. NYSE:TU (TELUS)
2. TSX:T (TELUS)
3. TSX:X (TMX Group)

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