



3 Top Dividend-Growth Stocks for Your RRSP

Description

The best dividend stocks to put in your Registered Retirement Savings Plan (RRSP) are those that have high and safe dividend yields, track records of growing their payouts, and the ability to continue growing their payouts going forward. Finding stocks that meet these criteria can be difficult, but fortunately for you I've done the hard part and compiled a list of three great opportunities, so let's take a quick look at each.

1. Emera Inc.

Emera Inc. ([TSX:EMA](#)) is a North American energy and services company that is engaged in electricity generation, transmission, and distribution, gas transmission and distribution, and utility energy services. It has operations across Canada, the United States, and the Caribbean, and its subsidiaries include Nova Scotia Power, Emera Maine, TECO Energy, Barbados Light & Power, and Emera Utility Services.

It pays a quarterly dividend of \$0.5225 per share, or \$2.09 per share annually, giving its stock a yield of approximately 4.2% at today's levels.

It's also important to make the following two notes about Emera's dividend.

First, its three dividend hikes since the start of 2015, including its 10% hike earlier this month, have it on pace for 2016 to mark the 10th consecutive year in which it has raised its annual dividend payment.

Second, it has a dividend-growth target of 8% annually through 2020.

2. Bank of Montreal

Bank of Montreal ([TSX:BMO](#))([NYSE:BMO](#)) is the fourth-largest bank in Canada and the eighth-largest bank in North America with approximately \$681.5 billion in assets. It provides a broad range of personal and commercial banking, wealth management, and investment banking products and services to more than 12 million customers.

It pays a quarterly dividend of \$0.86 per share, or \$3.44 per share annually, giving its stock a yield of approximately 4.1% at today's levels.

It's also important to make the following two notes about Bank of Montreal's dividend.

First, its four dividend hikes since the start of 2015, including its 2.4% hike in May of this year, have it on pace for 2016 to mark the fifth consecutive year in which it has raised its annual dividend payment.

Second, it has a target dividend-payout range of 40-50% of its adjusted net earnings, so its consistent growth, including its 7.4% year-over-year increase to \$3.48 per share in the first half of fiscal 2016, could allow its streak of annual dividend increases to continue for many years to come.

3. North West Company Inc.

North West Company Inc. ([TSX:NWC](#)) is one of the leading retailers of groceries and everyday products to rural communities and urban neighborhoods in Canada, Alaska, the South Pacific, and the Caribbean. Its banners include Northern, NorthMart, Giant Tiger, Cost-U-Less, and AC Value Center.

It pays a quarterly dividend of \$0.31 per share, or \$1.24 per share annually, giving its stock a yield of approximately 4.2% at today's levels.

It's also important to make the following two notes about North West's dividend.

First, its 6.9% dividend hike in September has it on pace for 2016 to mark the fifth consecutive year in which it has raised its annual dividend payment.

Second, its strong growth of cash from operating activities before changes in non-cash working capital, including its 21.5% year-over-year increase to \$28.4 million in the first quarter of fiscal 2016, could allow its streak of annual dividend increases to continue going forward.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. TSX:BMO (Bank Of Montreal)
3. TSX:EMA (Emera Incorporated)
4. TSX:NWC (The North West Company Inc.)

Category

1. Dividend Stocks
2. Investing

Tags

1. Editor's Choice

Date

2025/07/08

Date Created

2016/07/13

Author

jsolitro

default watermark

default watermark