



On the Hunt for Income in Your RRSP? Look to Corus Entertainment Inc. and Cameco Corp.

Description

The deadline for Canadians to contribute to a Registered Retirement Savings Plan (RRSP) is March 1, 2018. That does not leave much time for Canadians to make final contributions. Depending on where an investor is at any given time when it pertains to their retirement window, different strategies are naturally employed. However, a long-term portfolio should always include income-generating stocks, especially for investors nearing retirement.

Today, we will look at two stocks that [offer attractive dividends](#).

Corus Entertainment Inc. ([TSX:CJR.B](#))

Corus is a Toronto-based media and content company, with its wide array of television stations serving as its main source of revenue. The stock has plunged 31.2% in 2018 as of close on February 26. The company released its fiscal 2018 first-quarter results on January 10.

Corus generated free cash flow of \$83.2 million in the first quarter, which was up from \$33.9 million in the prior year. Both the television and radio segments experienced a drop in revenues in the first quarter, with total consolidated revenues falling 2% to \$457.3 million. Segment profit rose marginally in its radio segment to \$13.5 million compared to \$13.2 million in the prior year. However, total segment profit fell to \$177 million from \$191 million in fiscal Q1 2017.

Net income rose to \$77.6 million from \$71.1 million in the previous year. Corus declared a monthly dividend of \$0.09 per share, representing a 14% dividend yield. [Old media companies face an increasingly challenging environment](#) with the rise of streaming services like **Netflix, Inc.** and the decline of traditional television. The attractive dividend at Corus is hard to ignore, but investors should monitor the stock closely to see if the company is able to maintain its high payout going forward.

Cameco Corp. ([TSX:CCO](#))([NYSE:CCJ](#))

Cameco is a Saskatoon-based company and the second-largest uranium producer in the world. Cameco stock has climbed 1.4% in 2018 but is down 18% year over year. The company released its

2017 fourth-quarter and full-year results on February 9.

Cameco reported a net loss of \$205 million in 2017 and adjusted net earnings of \$59 million, which were in line with previous guidance. Low uranium prices in 2017 weighed on Cameco in spite of operational improvements. Uranium prices have fallen over 70% since the Fukushima disaster in 2011, which sparked some countries to phase out nuclear power. However, uranium prices ticked up in the fourth quarter.

Cameco reduced its dividend to \$0.10 per share, representing a 3.4% dividend yield. Investors should exercise caution, as the uranium market has proven extremely volatile in recent years. Like Corus, Cameco offers an attractive dividend at a very low stock price. In the United States, the Trump administration has made an effort to reduce federal protection on lands with uranium deposits, which, if successful, could drive momentum in the future.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:CCJ (Cameco Corporation)
2. TSX:CCO (Cameco Corporation)
3. TSX:CJR.B (Corus Entertainment Inc.)

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Date

2025/08/26

Date Created

2018/02/27

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