# 3 Cheap Dividend Stocks to Add to Your RRSP

## Description

A number of alarming statistics were revealed in two separate studies released this spring. The studies sought to evaluate how Canadians were preparing for retirement.



The first study was conducted for Franklin Templeton Investments Canada. It found that one-fifth of Canadians aged 53 to 71 that were surveyed had put away nothing for retirement. More than one-third of those surveyed said that they left the workforce later because they did not have enough money to retire. Almost 30% said they were too focused on paying down debt to worry about retirement savings. Of those surveyed, 40% said that their government pension would serve as their primary or secondary source of income. The study also showed that 28% of Gen-Xers surveyed had no retirement savings.

The second study was conducted by market research firm Mathew Greenwald & Associates Inc. and Cannex Financial Exchanges Ltd. Of those surveyed, 45% were confident that they would be able to maintain their standard of living in retirement with a life expectancy of 85. In the survey 58% said they could not maintain that standard of living if they were to live to 90. Top retirement concerns for those surveyed included savings not keeping up with inflation, low interest rates, and inadequate investment returns, to name a few.

Forgive the cliché, but it is never too late to start saving for retirement. Canadians who are nearing retirement or just entering the work force should all explore the benefits of opening an RRSP. If you choose to go on that path, here are three income-yielding stocks to consider today.

**Fortis Inc.** (TSX:FTS)(NYSE:FTS)

Fortis is a St. John's-based utility company that services over 2.5 million customers in Canada and the United States. Shares of Fortis have dropped 9.2% in 2018 as of close on May 16, as utilities have struggled to start the year. The company released its first-quarter results on May 1.

Fortis reported net earnings of $323 million, or $0.77 per share, compared to $293 million, or $0.69 per share, in the prior year. The company projects that its $15.1 billion capital-expenditure program will increase its rate base to $33 billion by 2022, allowing it to achieve a compound growth rate of 5.4%. The company has delivered dividend growth for over 40 consecutive years and currently offers a quarterly dividend of $0.425 per share as of close on May 16.

**Canadian Utilities Ltd.** (TSX:CU)

Canadian Utilities is a Calgary-based utility. The company has delivered dividend growth for 46 consecutive years. Canadian Utilities has also committed to an ambitious $4.5 billion investment plan from 2018 to 2020. In the first quarter, the company posted adjusted earnings of $181 million. The stock offers a dividend of $0.393 per share, representing a 4.8% dividend yield.

**Thomson Reuters Corp.** (TSX:TRI)(NYSE:TRI)

Thomson Reuters is a Toronto-based multinational mass media and information firm. Shares of Thomson Reuters have dropped sharply since the summer of 2017. The company released its first-quarter results on May 11.

Revenues increased 4% year over year to $1.37 billion, and operating profit fell 2% to $268 million. Cash flow from operations reached $419 million compared to a $368 million loss in the prior year. The company announced a quarterly dividend of $0.345 per share, which is payable on June 15, 2018. Thomson Reuters has delivered dividend growth for 24 consecutive years.



**CATEGORY**

1. Dividend Stocks
2. Investing

**TICKERS GLOBAL**

1. NASDAQ:TRI (Thomson Reuters)
2. NYSE:FTS (Fortis Inc.)
3. TSX:CU (Canadian Utilities Limited)
4. TSX:FTS (Fortis Inc.)
5. TSX:TRI (Thomson Reuters)

**PARTNER-FEEDS**

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

**Category**

1. Dividend Stocks
2. Investing

**Date**
2025/08/23
**Date Created**
2018/05/18
**Author**
aocallaghan