RRSP Investors: 3 Dividend Stocks Yielding up to 5.6%

Description

Schroders, the British multinational asset management company, released its annual Global Investor Study earlier this July. The study found that Canadians save an average of 11.9% of their income for retirement compared to 13.9% in the Americas. This number also came in below the global average of 13.9%.

In previous articles, I have discussed some worrying trends in Canada, and unpreparedness in this area has been well documented with other surveys and studies. The recent Schroders survey also demonstrated that Canadians were underestimating the cost of retirement relative to their global peers. In the report, Canadian non-retirees expected to spend an average of 42% of their retirement income on basic living expenses. Retirees require 59% or more to meet this goal.

Another crucial point the study revealed was the income required to move forward for retirees. Those near retirement projected that they would need 71% of their salary to live comfortably in retirement, while on average retirees receive 61% of their final salary after retiring.

Many reading this may be concerned that they will also be unprepared for retirement. The good news is that even those in their final years of work life still have time to save more and restructure their portfolios to meet the demands of retirement. Today, we are going to look at three stocks that can provide attractive income in an RRSP portfolio.

Rogers Communications Inc. (TSX:RCI.B)(NYSE:RCI)

Rogers Communications stock has climbed 1.1% in 2018 as of late-morning trading on July 26. The telecom released its second-quarter results on July 19. It achieved total revenue growth of 4% year over year and adjusted EBTIDA growth of 8%. Once again, wireless and internet additions paved the way for positive earnings. It reported postpaid net additions of 122,000, which was up 29,000 from Q2 2017.

Rogers Communications stock offers a quarterly dividend of $0.48 per share, representing a 2.9% dividend yield. It is one of the largest telecoms in Canada and boasts a wide moat for investors looking long. It is well worth an addition in any retirement account.

Hydro One Ltd. (TSX:H)

Hydro One stock has dropped 14.6% in 2018 so far. The company has been no stranger to controversy, and most recently the new PC government pushed out its CEO and board of directors to fulfill a campaign promise. Utilities have been battered, as the Bank of Canada has committed to rate tightening, but Hydro One's wide economic moat and long-term trajectory is still too enticing to pass up for those seeking consistent income.

The board of directors recently approved a hike to its quarterly dividend to $0.23 per share, which represents a 4.6% dividend yield.

Enbridge Inc. (TSX:ENB)(NYSE:ENB)

Shares of Enbridge have increased 9.6% over the past month after some positive regulatory news south of the border. Enbridge is the largest energy infrastructure company in North America and has seen improvement in successive quarterly reports. Higher oil and gas prices have also provided a boost. The stock offers a quarterly dividend of $0.671 per share, representing a 5.6% dividend yield.

CATEGORY

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2. NYSE:RCI (Rogers Communications Inc.)
3. TSX:ENB (Enbridge Inc.)
4. TSX:H (Hydro One Limited)
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