RRSP Investors: 3 Dividend Stocks to Own in 2019 and Beyond

Description

Broad market turbulence is always frustrating for investors gearing up for retirement. The S&P/TSX Composite Index suffered another triple-digit retreat on January 3. Investors rebalancing their retirement portfolios should consider three of the options below. These stocks offer a combination of stability, attractive dividends, and good dividend growth in recent years. These attributes make these equities worthy targets for a retooled retirement portfolio.

Fortis (TSX:FTS)(NYSE:FTS)

Fortis stock fell 0.53% on January 3. Back in November, I'd stated that Fortis should be a top option for all investors in a turbulent market. Shares have climbed 7.5% over the past three months.

The company boasts a wide economic moat and a promising path forward when it comes to capital investment. Fortis has pushed forth a five-year capital-investment plan that is expected to reach $17.3 billion and is projected to propel its consolidated rate base from $26.1 billion in 2018 to $35.5 billion in 2023. The company plans for this to support a 6% annual dividend increase into 2023.

Fortis last paid out a quarterly dividend of $0.45 per share. The company has achieved 45 consecutive years of dividend growth.

Canadian Imperial Bank of Commerce (TSX:CM)(NYSE:CM)

CIBC stock has dropped 15.8% over the past three months. Canadian bank stocks have suffered a sharp retreat due to the global stock market sell-off, but this has also produced potential discounts in early 2019. In Q4 2018, CIBC saw net earnings rise 8% year over year to $1.36 billion. This was on the back of strong performance in its retail banking and wealth management segments.

CIBC last hiked its quarterly dividend to $1.36 per share. This represents an attractive 5.3% yield. The bank has achieved dividend growth for eight consecutive years. CIBC's RSI last sat at 28 as of close on January 3, which comes in as technically oversold as we prepare to wrap up the final week of

January. Canadian financials appear discounted in early January, but investors who are eager to stack should also prepare for volatility in the near term.

Imperial Oil (TSX:IMO)(NYSE:IMO)

Imperial Oil stock fell 1.82% on January 3. Shares have plunged 22% over the past three months. Major weakness in the energy sector has punished top stocks in Canada.

For the first nine months of 2018, Imperial Oil reported net income of $1.46 billion, which was up 133% from the prior year. Capital and exploration expenditures also climbed 105% to $934 million. Imperial Oil stock last boasted an RSI of 34, just outside oversold territory. Integrated companies like Imperial Oil were opposed to the production curtailments introduced by Alberta premier Rachel Notley.

Imperial Oil last paid out a quarterly dividend of $0.19 per share, which represents a 2.1% yield. The company has delivered 24 consecutive years of dividend growth. Although the Canadian energy sector has taken major hits from plummeting prices, Imperial Oil and peers like **Suncor** are, in large part, shielded from the fluctuations in WCS price due to their integrated strategy.

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1. Dividend Stocks
2. Investing

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2. NYSE:FTS (Fortis Inc.)
3. NYSEMKT:IMO (Imperial Oil Limited)
4. TSX:CM (Canadian Imperial Bank of Commerce)
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