



## 2 Attractive Dividend Stocks to Add to Your RRSP Portfolio

### Description

Canadian savers are searching for top dividend stocks to add to their self-directed [RRSP](#) holdings.

The market has bounced off the late-2018 lows, but investors can still pick up some great companies at reasonable prices. Let's take a look at two TSX Index giants to see why they might be interesting picks for your portfolio today.

### Bank of Nova Scotia ([TSX:BNS](#))([NYSE:BNS](#))

Bank of Nova Scotia is Canada's third-largest bank. Investors often choose its larger peers when adding a financial institution to their holdings, but that might begin to change.

Why?

Bank of Nova Scotia has invested billions to build a substantial presence in Latin America. The region already accounts for roughly 30% of the company's profits, and that could grow in the coming decades. The four countries of core interest are Mexico, Colombia, Peru, and Chile. These form the heart of the Pacific Alliance, which is a trade bloc set up to promote the free movement of goods and capital among the member states.

Expansion of the middle class in this market of 200 million people should boost demand for credit and investment products in the coming decades, and Bank of Nova Scotia stands to benefit.

Management made several acquisitions last year to help drive additional growth. The purchase of BBVA in Chile doubled the bank's market share in Chile to 14%. At home, Bank of Nova Scotia increased its wealth management assets to \$230 billion through the takeovers of Jarislowsky Fraser and MD Financial.

The bank raised the dividend by 8% in fiscal 2018, and investors should see steady increases continue. At the time of writing, the dividend provides a [yield](#) of 4.6%.

## Nutrien ([TSX:NTR](#))([NYSE:NTR](#))

Nutrien is a giant in the global market for crop nutrients. The company sells wholesale potash, nitrogen, and phosphate to governments around the world. An extended downturn in the market put pressure on Nutrien's predecessors, Potash Corp. and Agrium, to join forces and that appears to have been a wise decision. The company is driving down costs, and the recovery in fertilizer prices is providing a boost to cash flow.

Nutrien continues to expand its retail division through strategic acquisitions. The sector is ripe for consolidation, and Nutrien is taking advantage of its leadership position in the seed and crop protection markets.

Management raised the dividend by 7.5% for 2019, and investors should see steady annual gains. The stock is off the 12-month low but still appears cheap at the current price of \$68 per share. As crop nutrient prices continue to rise, Nutrien has the potential to generate significant free cash flow.

## The bottom line

Bank of Nova Scotia and Nutrien are top players in their respective industries and should be solid buy-and-hold picks for a TFSA portfolio. At this point, I would probably split a new investment between the two stocks.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. NYSE:NTR (Nutrien)
3. TSX:BNS (Bank Of Nova Scotia)
4. TSX:NTR (Nutrien)

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