



5 Stocks to Help Your RRSP Hit \$1 Million

Description

The RRSP contribution deadline for the 2018 tax year is just around the corner, and that has Canadian savers taking a hard look at their [self-directed RRSP](#) portfolios.

People who work for big companies or the government often have generous pension plans to cover the bulk of their income needs at retirement, but others who are self-employed or prefer the flexibility offered by contract work need to take retirement planning into their own hands.

With food, gas, housing, and travel costs rising, it isn't unreasonable to set your sights on having \$1 million put aside in your RRSP to fund a comfortable retirement.

Let's take a look at five top Canadian stocks that should be solid buy-and-hold picks to help you reach your RRSP goals.

Toronto Dominion Bank ([TSX:TD](#))([NYSE:TD](#))

TD is a profit machine. The company generated adjusted earnings of more than \$12 billion in fiscal 2018, and management expects the good times to continue. Earnings growth is anticipated to be 7-10% per year over the medium term. This should support steady dividend hikes, which are key for building a retirement portfolio.

TD's current distribution provides a [yield](#) of 3.6%.

BCE ([TSX:BCE](#))([NYSE:BCE](#))

BCE is a leader in the Canadian communications market providing customers with phone, internet, and TV services across its world-class mobile and wireline network infrastructure. Meeting growing broadband demand requires billions of dollars in investments, and that tends to favour large players, such as BCE, that have the financial firepower to stay competitive.

The company has the ability to raise prices when it needs additional cash, and while growth is slow, it is also steady, and that should ensure regular increases to the generous dividend.

BCE just raised the payout by 5% for 2018. The distribution provides a yield of 5.5%.

Suncor Energy ([TSX:SU](#))([NYSE:SU](#))

All the bad news surrounding the Canadian energy sector might make RRSP investors nervous about adding an oil stock to their portfolios, but Suncor is a special case. The company's integrated business structure includes refining and marketing divisions that provide a hedge against tough times in the production group. The company has a very strong balance sheet and takes advantage of opportunities during difficult times to buy strategic assets at attractive prices.

Suncor just raised its dividend from \$0.36 to \$0.42 per share. That's a gain of 16.7%! Steady production increases in the coming years should support rising cash flow and additional dividend increases.

At the time of writing, the stock appears oversold and provides a yield of 3.8%.

Brookfield Asset Management ([TSX:BAM.A](#))([NYSE:BAM](#))

Brookfield Asset Management is a global alternative asset manager with investments that cover a wide spectrum of opportunities, including renewable energy, real estate, and infrastructure.

The company's size and expertise give it an advantage when searching the world for attractive assets that will generate solid returns.

The stock offers investors an opportunity to own a piece of some of the planet's best real estate. It also provides a chance to get exposure to global infrastructure and power assets that would otherwise be out of reach.

Sun Life Financial ([TSX:SLF](#))([NYSE:SLF](#))

Sun Life owns insurance and asset management businesses in Canada, the United States, the U.K., and Asia. The executive team has done a good job of reducing risk in the U.S. business in recent years, and the strong presence in Asia should generate solid growth over the coming decades to support rising cash flow and ongoing dividend increases. The current payout provides a yield of 4%.

The bottom line

An equal investment across the five companies would give RRSP investors balanced exposure across a number of sectors and geographies and should provide a solid base to help build a million-dollar retirement portfolio over the next 20-30 years.

CATEGORY

1. Bank Stocks
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TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:BN (Brookfield Corporation)
3. NYSE:SU (Suncor Energy Inc.)
4. NYSE:TD (The Toronto-Dominion Bank)
5. TSX:BCE (BCE Inc.)
6. TSX:BN (Brookfield)
7. TSX:SLF (Sun Life Financial Inc.)
8. TSX:SU (Suncor Energy Inc.)
9. TSX:TD (The Toronto-Dominion Bank)

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