# Consider These Dividend-Growth Stocks Before the RRSP Deadline

### Description

The countdown is on. There is only a week left before the March 1, 2019, Registered Retirement Savings Plan (RRSP) deadline. As such, those looking to top up their RRSP account and take advantage of the tax breaks need to make some important investment decisions.

For your consideration, I present three industry leaders — **BCE** (TSX:BCE)(NYSE:BCE), **Rogers Communications** (TSX:RCI.B)(NYSE:RCI), and **Telus** (TSX:T)(NYSE:TU). These are the largest telecommunications firms in the country. They also happen to own a monopoly accounting for over 80% of the Canadian market.



## Best stock for safety

As Canada's largest telecommunications firm, BCE is also the most diversified. It is ingrained in the very fabric of our communities and has a presence coast to coast. The company has three main segments: Media, Wireline and Wireless. It currently yields an attractive 5.27%.

This isn't a high-growth stock. It is a behemoth of a company, and it takes a lot to move the needle. That being said, BCE has been able to deliver consistent growth in the low single digits. In 2019, the company expects to grow earnings before interest, taxes, depreciation, and amortization by 6% at the mid-range.

## Best stock for growth

When it comes to growth, none in the industry have delivered quite like Rogers. Over that past five years, Rogers has outperformed its peers by a significant margin. Its share price has returned on average 13.9%. In comparison, Telus's and BCE's performance have been almost identical, returning just shy of 4% annually.

While Rogers's dividend growth has stagnated over the past handful of years, the company has been investing heavily in capital expenditures. These investments have been paying dividends (pun intended), as net income has more than doubled over the past five years.

## Best stock for dividend growth

If a reliable dividend-growth streak is of most interest to you, then Telus is the best of the bunch. Telus has a 15-year dividend-growth streak, which is tops among the trio. It has averaged a dividend-growth rate between 7% and 10% over the past five years. This tops the 5% that BCE has averaged. Rogers only recently raised its dividend this past year — the first time it has done so since 2014.

Through the end of 2019, Telus has a target dividend-growth rate of 7-10% which is in line with historical averages. It has a history of raising dividends twice a year — once in June and again in December. Expect the company to announce a revised dividend policy in the next few months.

## Foolish takeaway

Each stock in the sector offers its own benefits. However, investors should give all three consideration. They operate in a stable and growing industry, and their monopoly provides them with a significant competitive advantage.



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