



## Here's How to Nail Down \$7,750 in Passive RRSP Income (Bonus: It's Safe and It Grows)

### Description

Hello, Fools. I'm back again to highlight three top dividend growth stocks. As a quick refresher, I do this because businesses with consistently increasing dividend payouts can guard against the negative effects of inflation by providing a [growing income stream](#); and tend to outperform the market averages over the long haul.

The three stocks below offer an average dividend yield of 3.1%. So if you spread them out evenly in an average [\\$250K RRSP account](#), the group will provide you with a growing \$7,750 annual income stream. And it's all completely passive.

Let's get to it.

### Profit pipeline

Leading off our list is oil and gas midstream giant **TC Energy** ([TSX:TRP](#)), which has grown its dividend payout 50% over the past five years.

TC shares have been sluggish in recent weeks, providing income investors with a solid opportunity. TC generates boatloads of cash flow, has a safe payout, and grows earnings safely.

In Q1, TC's profit improved 22% from its U.S. natural gas pipelines and 6% from its Canadian gas pipelines.

"We are very pleased with the performance of our diversified and irreplaceable portfolio of high-quality, long-life energy infrastructure assets which continued to produce record financial results through the first quarter of 2019," said President and CEO Russ Girling.

TC shares are up 34% in 2019 and offer a healthy yield of 4.3%.

## How convenient

With massive dividend growth of 187% over the past five years, convenient store giant **Alimentation Couche-Tard** (TSX:ATD.B) is next on our list.

Alimentation's current dividend isn't large, but the company's overall growth trajectory remains impressive. In the most recent quarter, earnings jumped 27% to \$612 million, revenue improved 4.6%, and same-store merchandise sales increased in all geographic regions.

On that strength, management hiked the quarterly dividend 25% to \$0.125 per share.

"I am very pleased with the strong and balanced results we had this quarter," said President and CEO Brian Hannasch. "In particular, we had solid growth in year-over-year same store merchandise revenues in all our markets."

Alimentation shares are up 26% in 2019 and offer a yield of 0.5%.

## Telus what you know

Rounding out our list is telecom behemoth **Telus Corporation** ([TSX:T](#))([NYSE:TU](#)), whose dividend has ballooned 49% over the past five years.

Telus' top line has been decelerating a bit of late, but the company remains a rock solid dividend play. In the most recent quarter, revenue increased 4%, income improved 6%, and new customer additions clocked in at a solid 99,000.

More important, however, is that management hiked the dividend 3.2% while shooting for 7%-10% annual growth for 2020-2022.

"TELUS achieved strong financial and operational results in the first quarter, including high quality smartphone-centric mobile phone net additions and vigorous connected device growth in wireless, alongside ongoing robust wireline customer growth," said President and CEO Darren Entwistle.

Telus shares are up 8% in 2019 and currently boast a yield of 4.5%.

## The bottom line

There you have it, Fools: three attractive dividend growth stocks worth checking out.

As always, they aren't formal recommendations. They're simply a starting point for more research. The snapping of a dividend growth streak can be especially painful, so plenty of due diligence is still required.

Fool on.

## CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Tech Stocks

#### **TICKERS GLOBAL**

1. NYSE:TRP (Tc Energy)
2. NYSE:TU (TELUS)
3. TSX:T (TELUS)
4. TSX:TRP (TC Energy Corporation)

#### **PARTNER-FEEDS**

1. Msn
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