RRSP Investors: 3 Steady Passive Income Stocks Yielding Up to 8.4%

Description

Hi there, Fools. I'm back to highlight three top high-yield dividend stocks. As a reminder, I do this because stocks with attractive yields provide a healthy income stream in both bull and bear markets and tend to outperform the market over the long run.

The three stocks below offer an average dividend yield of 5.8%. If you spread them out evenly in a $200K RRSP account, the group will provide you with an annual income stream of $11,600 on top all the appreciation you could earn.

Let's get to it.

Pie in the sky

Leading off our list is fast-food royalty company **Pizza Pizza Royalty Corp.** (TSX:PZA), which currently offers a mouth-watering yield of 8.4%.

Tough competition and declining same-store sales weighed on the stock in 2018, but recent results suggest that management's turnaround initiatives are taking hold.

While total same-store sales declined again in the most recent quarter, the average customer check actually increased. Moreover, Pizza Pizza's Alberta brand, Pizza 73, posted back-to-back quarters of positive sales.

"Although our first quarter sales results were below our expectations, customers have begun responding positively to our refreshed marketing approach, along with more effective value-oriented campaigns," said CEO Paul Goddard.

Pizza Pizza shares are up 14% so far in 2019.

Kinder surprise

With a juicy dividend yield of 5.5%, oil and gas pipeline operator **Kinder Morgan Canada** (TSX:KML) is next up on our list.

The stock dropped last month after management decided to remain a standalone company following the $4.5 billion sale of its Trans Mountain Pipeline. That said, Kinder Morgan continues to boast attractive assets that are supported by long-term contracts and stable cash flow.

In Q1, adjusted EBITDA was $1.95 billion, while discounted cash flow clocked in at a whopping $1.37 billion on lower maintenance spending.

“KML’s strategic infrastructure operations across western Canada had a strong first quarter, thanks largely to contributions from the fourth quarter 2018 completion of the Base Line Terminal,” said Chairman and CEO Steve Kean.

Kinder Morgan shares are down 23% year-to-date.

Rich dominion

Rounding out our list is banking gorilla **Toronto-Dominion Bank** (TSX:TD)(NYSE:TD), whose shares currently offer a healthy yield of 3.6%.

Investors naturally think of TD as a Big Five Canadian banking play, but it’s an underrated way to gain U.S. exposure. In Q1, TD’s U.S. retail segment posted a 29% jump in adjusted profits while its U.S. retail bank (excludes TD Ameritrade) delivered a 17% increase.

TD’s adjusted return on equity also improved 200 basis points to 17% during the quarter.

“We made strong progress in the quarter, adding new capabilities, strengthening our business, and advancing our strategic priorities as we continue to build the bank of the future,” said President and CEO Bharat Masrani.

TD shares are up 14% so far in 2019.

The bottom line

There you have it, Fools: three top high-yield stocks worth checking out.

As always, don’t view them as formal recommendations. Instead, look at them as a starting point for more research. A dividend cut (or halt) can be especially painful, so you’ll still need to do plenty of due diligence.

Fool on.

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2. TSX:PZA (Pizza Pizza Royalty Corp.)
3. TSX:TD (The Toronto-Dominion Bank)

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