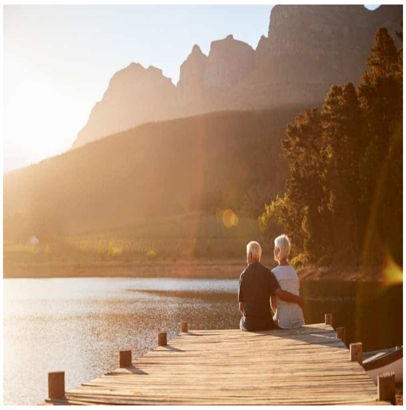

Lazy Retirees: Earn a Growing Passive-Income Stream of $7,000/Year With These 3 Cash Machines

Description

Hello, Fools. I'm back to highlight three top dividend-growth stocks. As a quick refresher, I do this because businesses with consistently increasing dividend payouts

- can defend against the harmful 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 3.5%. Thus, if you spread them out evenly in an average $200K RRSP account, the group will provide you with a growing $7,000 annual income stream. And the best part? It's all completely passive.

Let's get to it.

Sunny outlook

Leading off our list is energy giant **Suncor Energy** (TSX:SU)(NYSE:SU), which has increased its dividend an impressive 75% over the past five years.

Suncor's dividend growth is supported by impressive oil sands assets, long-term cash flow, and significant expansion projects. In the most recent quarter, oil sands production jumped 15%, funds from operations increased to $2.6 billion, and operating cash flow clocked in at $1.55 billion.

"Suncor's integrated model has consistently generated positive results through changing market conditions, including mandatory production curtailments in Alberta, and the first quarter of 2019 was no different," said President and CEO Mark Little.

Suncor shares are up 11% in 2019 and currently offer a healthy dividend yield of 3.7%.

Rolling along

Next up, we have retail giant **Canadian Tire** (TSX:CTC.A), which has delivered dividend growth of 137% to shareholders over the past five years.

The stock has slumped in recent months on concerns over slowing growth, but it might be the perfect time to pounce. Canadian Tire now trades at a nearly five-year forward P/E of 11.1.

In the most recent quarter, same-store sales improved 6.1%, total revenue inched up 2.8%, and EPS clocked in at $1.12 per share.

"Ending our winter season with exceptional sales performance positions us well as we enter our second-largest quarter of the year," said President and CEO Stephen Wetmore.

Canadian Tire shares are flat in 2019 and offer a solid dividend yield of 2.7%.

Portfolio insurance

Rounding out our list is insurance giant **Manulife Financial** (TSX:MFC)(NYSE:MFC), which has grown its dividend payout 81% over the past five years.

Manulife's dividend continues to be underpinned by massive economies of scale, a strong financial position, and steady new business growth. In the most recent quarter, core earnings increased 15%. Meanwhile, Manulife's core return on equity improved to 14.2% from 13.4% in the year-ago period.

"We continue to make progress in the execution of our digital customer-centric strategy, including the roll-out of our electronic claims systems in Asia, as well as an industry-first voice-enabled retirement product in the U.S.," said President and CEO Roy Gori.

Manulife shares are up 23% so far in 2019 and currently offer a juicy dividend yield of 4.1%.

The bottom line

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

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. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:MFC (Manulife Financial Corporation)
2. NYSE:SU (Suncor Energy Inc.)
3. TSX:CTC.A (Canadian Tire Corporation, Limited)
4. TSX:MFC (Manulife Financial Corporation)
5. TSX:SU (Suncor Energy Inc.)

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