



3 RRSP Stocks to Own for Decades

Description

Self-directed RRSP portfolios tend to focus on stocks with long-term growth potential while paying reliable [dividends](#).

Let's take a look at three Canadian companies that might be attractive picks right now for a retirement fund.

Nutrien

As a crop nutrients producer, **Nutrien** ([TSX:NTR](#))([NYSE:NTR](#)) is a play on global population growth.

The number of mouths to feed on the planet is expected to grow from roughly 7.7 billion in 2019 to 10 billion by 2050, putting pressure on farmers to boost crop yields on less and less land as urban expansion takes over farms. In addition, rising middle-class wealth in emerging markets is driving demand for meat, which means that more food must be grown in order to feed the animals that people want to eat.

As such, the prospects look good for Nutrien. The company is the top supplier of potash and one of the leading producers of nitrogen and phosphate. Nutrien also has a retail business that provides seed and crop protection products to global growers.

The company earned US\$2.69 per share in 2018 and is targeting US\$2.80-3.20 this year. The board raised the dividend twice in the past 12 months, and steady gains should be on the way in the coming years. Fertilizer prices are recovering after a multi-year slump, and Nutrien has the potential to generate substantial free cash flow if the rebound really picks up steam.

At the current price of \$70 per share at writing, the stock appears cheap and investors can pick up a [yield](#) of 3.2%.

Brookfield Asset Management

Brookfield Asset Management (TSX:BAM.A) ([NYSE:BAM](#)) is an alternative investment company with holdings around the world focused on real estate, infrastructure, and renewable energy. It is a giant in its segment, and its size combined with the level of expertise gives it an advantage when searching for new opportunities to deploy cash.

The management team does a good job of keeping an eye on valuations and isn't afraid to book profits on an investment when the price hits an attractive level. The proceeds can then be used to acquire new assets with potential for higher returns.

Brookfield is a good way for investors to gain access to asset categories that would otherwise be out of reach.

Bank of Nova Scotia

Bank of Nova Scotia might be Canada's third-largest bank, but with a market capitalization of \$87 billion, it's certainly no slouch.

The stock an interesting way to play the growth potential of historically unstable Latin America through a rock solid Canadian company. Bank of Nova Scotia gets about 30% of its income from the international operations that primarily focus on Mexico, Peru, Chile, and Colombia. The four countries are home to more than 225 million consumers and form the core of the Pacific Alliance trade bloc.

Bank of Nova Scotia trades at a discount to its larger Canadian peers, but the gap should close in the coming years as investors feel more comfortable with the Latin American exposure and potential for growth. The existing dividend provides an attractive 4.9% yield today.

The bottom line

Nutrien, Brookfield Asset Management and Bank of Nova Scotia should be solid buy-and-hold picks for a self-directed RRSP portfolio. If you have some cash on the sidelines, these stocks deserve to be on your radar.

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1. Bank Stocks
2. Investing
3. Metals and Mining Stocks
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TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. NYSE:BNS (The Bank of Nova Scotia)
3. NYSE:NTR (Nutrien)

4. TSX:BN (Brookfield)
5. TSX:BNS (Bank Of Nova Scotia)
6. TSX:NTR (Nutrien)

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