



RRSP Income Hunters: 3 High-Yield Stocks to Lock In \$11,500 Next Year

Description

Hi there, Fools. I'm back to highlight three top high-yield dividend stocks. As a reminder, I do this because solid dividend stocks

- provide a [healthy income stream](#) in both good and bad markets; and
- tend to outperform the market over the long run.

The three stocks below offer an average dividend yield of 4.6%. If you spread them out evenly in a [\\$250K RRSP](#) account, the group will provide you with an annual income stream of \$11,500 — on top all the appreciation you could earn.

Let's get to it.

Natural momentum

Kicking things off is oil and gas giant **Canadian Natural Resources** ([TSX:CNQ](#))([NYSE:CNQ](#)), whose shares sport a very attractive dividend yield of above 4%.

Despite soft energy prices, Canadian Natural's dividend continues to be supported by high-quality assets, strong production, and hefty cash flow generation. In fact, the company recently posted record quarterly adjusted funds flow of \$2.9 billion as total production improved 11%.

"The third quarter of 2019 was an excellent operational quarter for the company," said President Tim McKay. "Our continued focus on cost control and effective and efficient operations was evident as operating costs were reduced across most of our assets, resulting in higher netbacks and margin growth."

Canadian Natural shares are up 12% in 2019 and currently trade at a forward P/E in the mid-teens.

Feeling gassy

With an especially juicy yield of 6%, energy distribution giant **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) is our next high yielder.

Enbridge's reliable dividend continues to be underpinned by massive scale, diversified operations (liquids pipelines, natural gas pipelines, utilities), and highly dependable cash flows. In the most recent quarter, distributable cash flow improved 33% on increased transportation through its mainline system.

Looking ahead, management still sees full-year distributable cash flow of \$4.30-\$4.60 per share.

"We delivered another strong quarter of operating and financial results," said CEO Al Monaco. "The continued strength of our operating performance reflects the quality and predictability of our business model."

Enbridge shares are up 19% so far in 2019 and currently trade at a forward P/E in the high teens.

Sunny selection

Closing out our list is life insurance giant **Sun Life Financial** ([TSX:SLF](#))([NYSE:SLF](#)), which offers a solid dividend yield of 3.6%.

Sun Life's dividend is backed by a diverse business model (life insurance, wealth, and asset management), an ever-increasing presence in Asia, and a highly comforting payout ratio. In the most recent quarter, EPS of \$1.37 topped estimates by \$0.10 as underlying ROE improved to a solid 15.5%.

On that strength, management increased the dividend 5% to \$0.55.

"We are pleased with the growth in insurance sales, led by Asia, our fastest growing pillar, and growth in Asset Management sales, where we are meeting our clients' needs for active fund managers with strong long-term performance as well as investment solutions in alternative asset classes," said CEO Dean Connor.

Sun Life shares are up 35% in 2019 and trade at a forward P/E around 11.

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.

CATEGORY

1. Dividend Stocks
2. Energy Stocks

TICKERS GLOBAL

1. NYSE:CNQ (Canadian Natural Resources)
2. NYSE:ENB (Enbridge Inc.)
3. TSX:CNQ (Canadian Natural Resources Limited)
4. TSX:ENB (Enbridge Inc.)
5. TSX:SLF (Sun Life Financial Inc.)

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