RRSP Deadline: 3 Stocks to Buy Before March 2, 2020!

Description

We’re well into February, yet there are still several weeks to make your final RRSP contributions for 2019. And what better time to go shopping for stocks? By making an RRSP contribution today, you can take a big chunk out of your tax bill and use the proceeds to buy investments that will grow tax-free. In 2020, you’re likely facing a higher tax bill due to CPP enhancement for the 2019 calendar year. This makes it more important than ever to make RRSP contributions that will offset your tax burden.

With that in mind, here are three stocks to consider for your RRSP before the 2019 contribution deadline hits.

Enbridge

Enbridge (TSX:ENB)(NYSE:ENB) is Canada’s largest pipeline company. It ships 3.3 million barrels of oil and LNG per day to markets all across Canada and the United States. Despite overall weakness in the energy sector, Enbridge has grown dramatically over the years, increasing its net income from $250 million to $2.8 billion in just four years.

What makes Enbridge such a strong grower, despite widespread industry headwinds?

First, as a pipeline company, it doesn’t sell oil directly, so it’s not as vulnerable to oil price swings as other energy companies.

Second, there’s a major shortage of pipelines in Canada that has kept ENB’s infrastructure filled to capacity.

Finally, the company has a number of growth projects in the works, like the Line III replacement, that could drive significant revenue gains in the future. If you buy Enbridge today, you’ll get a dividend yield of around 6%, and it could grow even higher in the future.

Alimentation Couche-Tard

Alimentation Couche-Tard (TSX:ATD.B) is a major convenience store company best known for its Circle K brand. The company acquired Circle K in the 1990s from **ConocoPhillips**, giving it a major presence in the United States, where it has since grown to be the number one convenience store by fuel sales. The company also brought Circle K to Canada, converting what were previously Irving and Ultramar stores into Circle K locations.

Thanks to its aggressive growth strategy, Alimentation has seen its share price soar over the years. The company routinely grows earnings at 20% or more year over year, and its five-year dividend-growth rate is 27%. While the stock's yield is low now (0.55%), it could grow dramatically if the company keeps pushing new frontiers.

Toronto-Dominion Bank

Toronto-Dominion Bank (TSX:TD)(NYSE:TD) is Canada's second-largest and fastest-growing bank. Driven by a highly successful U.S. retail business, the company has delivered growth metrics that the rest of the Big Six banks can't match. As a result of its significant growth, TD has been able to pay a high and growing dividend, which has risen by about 9.7% a year over the last five years.

This year, TD faced its first major challenge in the form of no-fee trading. The company owned a large stake in **TD Ameritrade**, which faced fee pressure from brokerages like **Charles Schwab**. The situation was looking bad, as TD Ameritrade depended on trading fees more than other brokerages did. Luckily, Schwab ended up cutting a deal to buy out AMTD. TD will own 13.4% of SHWB as a result. That makes TD a part owner of a huge brokerage juggernaut, which could power more gains going forward.

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andrewbutton