



Canada Retirement Income: Put \$30,000 in These 3 Dividend Stocks and Enjoy the Ride

Description

The CPP enhancement for Canadians has become a [hot topic in investing circles](#). Canada's federal government moved to up the threshold to meet the challenges that are hurtling towards retirees and those who are close to finishing their work life. The cost of living has steadily climbed over the past decade and defined-benefit pension plans may be close to extinct in the private sector by the end of the 2020s.

Fortunately, there are attractive options for Canadians who are on the hunt for income in retirement or otherwise. Today, I want to look at three income-yielding equities that would be a [perfect fit in an RRSP or TFSA](#). Let's jump in.

Pizza Pizza Royalty

Stocks in the food sector can be unpredictable, but **Pizza Pizza Royalty** ([TSX:PZA](#)) looks like an unmissable discount for income investors right now. Shares have only climbed 1% year over year as of close on February 11, but its income has been stellar. Investors can expect to see its fourth-quarter and full-year results for 2019 in late February or early March.

In the year-to-date period at the end of Q3 2019, the company had achieved Royalty Pool sales growth of 0.4%. Same-store sales growth was static year over year, and its restaurant network decreased by 11 locations. Pizza Pizza stock boasts a fantastic balance sheet. To add to its appeal, the stock possesses a favourable price-to-earnings (P/E) ratio of 11.5 and a price-to-book (P/B) value of 0.8.

The company last announced a monthly dividend of \$0.0713 per share. This represents a tasty 8.7% yield. A \$10,000 investment in Pizza Pizza stock would net investors over \$70 in monthly income.

Chesswood Group

Chesswood Group ([TSX:CHW](#)) is an Ontario-based financial services company. Its stock has

dropped 4.7% year over year as of close on February 11. Chesswood is set to release its Q4 and full-year 2019 results before the middle of March.

In the first nine months of fiscal 2019, Chesswood reported net income of \$9.9 million compared to \$17.6 million in the prior year. Earnings per share plunged to \$0.56 over \$0.98 in the year-to-date period ending Q3 2018. Lower profit margins are a concern, and if this continues, its dividend could be at risk. This is something investors should keep in mind if they choose to target Chesswood. However, its stock boasts a low P/E ratio of 12 and a P/B value of 1.1.

The company last announced a monthly dividend of \$0.07 per share, representing a strong 8.2% yield. A \$10,000 investment in Chesswood Group stock would net investors roughly \$70 per month in dividend income.

Atrium Mortgage Investment

Atrium Mortgage Investment ([TSX:AI](#)) is a non-bank lender that operates in the housing sector. Canada's housing sector has enjoyed a nice rebound since correcting in 2017 and 2018. Shares of Atrium have climbed 19% year over year as of close on February 11.

Investors can expect to see its fourth-quarter and full-year results for 2019 on February 14. In the third quarter, the company posted record revenue of \$16.72 million, which were up 8% from Q3 2018. Net income also hit a record of \$14.2 million — up 14.2% from the prior year. It achieved this on the back of mortgage loan portfolio growth of 8% from December 31, 2018.

The stock is hovering around a 52-week high but still possesses a favourable P/E ratio of 15 and a P/B value of 1.4. It last paid out a monthly dividend of \$0.075 per share, which represents an attractive 6.1% yield. A \$10,000 investment in Atrium Mortgage would net investors over \$50 per month in dividend income.

Altogether, a roughly \$30,000 investment in these three dividend beasts could net investors over \$200 in monthly dividends.

CATEGORY

1. Dividend Stocks
2. Investing

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1. Editor's Choice

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2. TSX:CHW (Chesswood Group)
3. TSX:PZA (Pizza Pizza Royalty Corp.)

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Author

aocallaghan

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