# RRSP Investors: 3 Cheap Canadian Dividend Stocks to Buy Today

### Description

The Registered Retirement Savings Plan (RRSP) may not be the perfect investment vehicle for every Canadian. But for those with specific long-term goals in mind (saving to buy a home or investing for a comfortable retirement), the RRSP is an invaluable vehicle that can help bring your wealth creation to the next level. In this piece, we'll have a look at three overly battered Canadian dividend stocks to stash in your RRSP for the long haul.



## TC Energy

**TC Energy** (TSX:TRP)(NYSE:TRP) stock got pummeled 4.6% on Monday on worries that U.S. president-elect Joe Biden could cancel the Keystone XL pipeline. Alberta premier Jason Kenney reportedly contacted Canadian prime minister Justin Trudeau, urging him to discuss the matter with the Biden administration. A potential axing of the Keystone XL project could cost Canada a considerable number of jobs and bring forth further downside in TRP shares, which have already been battered in 2020.

The stock is currently down 29% from its 2020 all-time high and may be worth scooping up for your RRSP on recent weakness for the juicy dividend, even though it seems like the Keystone XL project could find itself up in the air. TRP stock sports a bountiful, safe 6% yield at the time of writing.

## Enbridge

Sticking with the pipeline theme, we have shares of **Enbridge** (TSX:ENB)(NYSE:ENB), which have also been under extreme pressure in recent months. TC Energy's rough day spread to ENB stock, sending ENB stock nearly 2% lower on a thinly traded Monday for the **TSX Index**.

At the time of writing, shares of Enbridge are sitting down 22% from 2020 highs and 33% from 2015 all-time highs. As COVID-induced headwinds in the oil patch gradually fade away en route to post-pandemic normalcy, I view ENB stock as an opportunity for contrarians to lock in a swollen dividend yield (currently at 7.6%) alongside a shot at outsized gains over the medium term. And with one of the most shareholder-friendly management teams out there, I don't see the dividend getting slashed, even if Enbridge's recent relief rally were to come to another crashing halt.

If you're willing to hold the name for decades at a time, ENB looks like a deep-value dividend bargain that's perfect for RRSP investors.

## Bank of Montreal

Finally, we have **Bank of Montreal** (TSX:BMO)(NYSE:BMO), one of my favourite bank stocks for dividend-focused RRSP investors at this juncture. Shares of BMO crumbled during the February-March sell-off, but since bottoming out in March, the stock has not looked back. Shares are up over 62% from their March lows on the back of better-than-feared fourth-quarter results (BMO beat earnings estimates by a whopping 26%) and 2021 recovery hopes.

As we head into the latter part of 2021, BMO stock could have way more room to run as credit expenses shrink and the bank gets right back on the earnings growth track. Sure, a "lower-for-longer" interest rate environment doesn't bode well for the Big Six Canadian banks over the medium term. But looking beyond 2024, I think that rates will be on the rise again, and the big banks will enjoy their next leg higher after many years of treading water.



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