



## RRSP Investors: 4 Top Canadian Dividend Stocks to Own Forever

### Description

Canadian savers are searching for top Canadian dividend stocks to put in their buy-and-hold portfolios. The best stocks to own tend to have long track records of [dividend growth](#) and rising share prices.

### Why Canadian National Railway Company is a top RRSP stock

**Canadian National Railway** ([TSX:CNR](#)) ([NYSE:CNI](#)) is one of those great stocks RRSP investors can buy at any time and simply own for decades. That's probably why Bill Gates owns about 14% of the outstanding common shares!

The railway makes great money in all economic conditions. The board just raised the dividend by 7% and intends to buy back millions of shares over the course of the next year. The dividend yield is small, but the overall returns have been fantastic.

A \$10,000 investment in CN just two decades ago would be worth nearly \$200,000 right now with the dividends reinvested.

### Fortis stock is a Dividend Aristocrat for RRSP investors

**Fortis** ([TSX:FTS](#)) ([NYSE:FTS](#)) owns utility businesses in Canada, the United States, and the Caribbean. These include power generation, electric transmission, and natural gas distribution assets. Cash flow is predictable and reliable due to the regulated nature of the revenue stream.

Fortis raised the dividend in each of the past 47 years. That's great for RRSP investors who use distributions to buy new shares to harness the power of compounding. The board intends to raise the payout by an average annual rate of 6% through 2025.

The stock appears [cheap](#) right now and the current dividend provides a 3.9% yield.

## Why Bank of Montreal deserves to be on your dividend buy list

**Bank of Montreal** ([TSX:BMO](#))([NYSE:BMO](#)) paid its first dividend more than 190 years ago and investors have hitherto received a distribution every year.

While the bank often sits in the shadows of its larger Canadian peers, Bank of Montreal likely deserves more attention. The company has a balanced revenue stream that comes from both its Canadian and large U.S. operations with strong personal banking, commercial banking, capital markets and wealth management divisions.

Dividend increases should resume by the end of 2021 and investors could see a big hike to make up for a missed increase due to government restrictions last year. A new acquisition to drive growth is possible in the next couple of years. All the large Canadian banks are sitting on significant cash positions right now and will look for efficient ways to deploy the funds.

The existing dividend provides a 4.4% yield.

## Why Telus stock deserves to be an anchor holding

**Telus** ([TSX:T](#))([NYSE:TU](#)) is best known for its wireless and wireline communications services that provide Canadians with mobile, internet, and TV services. These businesses remain the bread-and-butter of the revenue stream and generate solid profits.

In addition, Telus is quietly building business units in other sectors. The company just took its Telus International subsidiary public in a [successful Initial Public Offering \(IPO\)](#). The group counts major tech giants as clients and has strong revenue growth. Telus Health, another division, could be the next spin-off. The group is the leading Canadian provider of digital health services to doctors, hospitals, and insurance providers.

Telus offers reliable and steady dividend growth and an attractive 4.6% yield.

## The bottom line

CN, Fortis, Bank of Montreal, and Telus are all top dividend stocks for RRSP investors. If you are searching for anchor picks, these stocks deserve to be on the 2021 buy list.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. NYSE:CNI (Canadian National Railway Company)
3. NYSE:FTS (Fortis Inc.)

4. NYSE:TU (TELUS)
5. TSX:BMO (Bank Of Montreal)
6. TSX:CNR (Canadian National Railway Company)
7. TSX:FTS (Fortis Inc.)
8. TSX:T (TELUS)

#### **PARTNER-FEEDS**

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

#### **Category**

1. Dividend Stocks
2. Investing

#### **Date**

2025/08/24

#### **Date Created**

2021/02/04

#### **Author**

aswalker

default watermark

default watermark