



## 3 High-Yield Dividend Stocks to Set You Up for Life!

### Description

Dividend stocks are the best way to set yourself up for lifetime payments. That's a big consideration if you have a Registered Retirement Savings Plan (RRSP). Dividends mean you'll continue to have payments, even when shares are down, just like a paycheck. And that's what your RRSP provides you: a steady income when you've retired. So, you want to be prepared.

That's why when you're looking at dividend stocks, for retirement or otherwise, you'll want Dividend Aristocrats. These stocks have provided dividend increases for 25 years or more! So, if you want practically guaranteed income, you want Dividend Aristocrats. And these three are perfect options.

### Royal Bank

If you want financial security, you want Canada's Big Six banks. Even during recessions like the one in 2008, Canada's Big Six banks came back to pre-crash prices within the year. Fast forward to today, and the situation is similar, with the banks at pre-crash prices since March 2020.

But if you want a solid Dividend Aristocrat that you won't worry a second over, it has to be **Royal Bank of Canada** ([TSX:RY](#))([NYSE:RY](#)). The company's wealth and commercial management sectors as well as investment into emerging markets have kept growth on a solid streak. The company is fairly priced with a 1.9 times price-to-book ratio (P/B) and an relative strength index (RSI) of 48 as of writing.

Shares are up 3% in the last year but up 779% in the last two decades for a compound annual growth rate (CAGR) of 11.47% during that time. As for its dividend yield, it offers a 4.03% yield that has increased at a CAGR of 8% in the last decade.

### Fortis

Another sure thing is utilities. These companies continue to bring in revenue no matter what the markets do. It also means they're set up for growth through acquisitions. All that cash has to go somewhere, and these larger companies are thus set up for major expansion for long-term buyers.

A perfect option for investors seeking dividends is **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)). The company is almost a Dividend King, with 49 years of dividend increases under its belt. It's seen hardly a blip in its share price, with revenue continuing to flow from its expanding operations. It too is fairly priced with a 1.4 times PB ratio and an RSI of 46 at writing.

And shares continue to climb. While it's down 7% in the last year, it's up 1,116% in the last two decades for a CAGR of 13.29%! Meanwhile, its dividend yield is at a solid 3.91% that's risen at a CAGR of 5.8% in the last decade.

## Open Text

Finally, this is the growth stock you'll want to hold onto. While the dividend is lower, the company's future is solid. **Open Text** ([TSX:OTEX](#))([NASDAQ:OTEX](#)) provides cloud-based Software as a Service to enterprise companies around the world. Some of its clients include **Alphabet** and **Microsoft**, among others.

The company has been expanding for decades, acquiring any business that falls into its purview. Its purpose is to manage data for enterprise level companies and governments. This service will continue to be needed and expanded on for decades. There are few companies that offer the history, dividend growth, and future outlook of a company like Open Text.

The company is a great value buy at 3.3 times P/B ratio, where the industry average is closer to 11.1. It also has an RSI of 67, which makes it a little overbought but not by much — especially when you consider its value investment for long-term holders. Finally, shares are up 2.5% in the last year, but 977% in the last 20 years for a CAGR of 12.61%. As for the dividend, it sits at a 1.63% dividend yield.

## Bottom line

These Dividend Aristocrats have strong business models that will continue to be a necessity decades from now. A \$10,000 investment in each of these stocks would bring in \$844 per year in dividends. And what's even better is that investors can look forward to continued increases for years, if not decades, to come.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NASDAQ:OTEX (Open Text Corporation)
2. NYSE:FTS (Fortis Inc.)
3. NYSE:RY (Royal Bank of Canada)

4. TSX:FTS (Fortis Inc.)
5. TSX:OTEX (Open Text Corporation)
6. TSX:RY (Royal Bank of Canada)

## **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**

2025/07/24

## **Date Created**

2021/02/14

## **Author**

alegategwolfe

default watermark

default watermark