



RRSP Investors: 3 Best Dividend Stocks to Buy Today

Description

The deadline for Registered Retirement Savings Plan (RRSP) contributions for the 2020 tax year came and went on March 1, 2021. Now, investors can start plotting out their contributions for this tax year. The market has looked overheated in recent weeks, and volatility has reared its head in late February and early March. Still, there are good buying opportunities for RRSP investors. Today, I want to look at the best dividend [stocks to add](#) to your RRSP.

Why I'm still targeting this undervalued dividend stock

Manulife Financial ([TSX:MFC](#))([NYSE:MFC](#)) is a top insurance and financial services company that is based in Toronto. Its shares were up 2.3% in early afternoon trading on March 8. The company released its fourth-quarter and full-year 2020 results on February 10.

The COVID-19 pandemic has proven challenging for Manulife, but it still put together a solid 2020. Manulife has bolstered its presence globally and looks poised to benefit from the growing middle class in Asia in the years ahead. Its insurance agency grew by 21% and is now over 115,000 agents. Moreover, global wealth management inflows grew to \$8.9 billion compared to outflows of \$0.9 billion in the previous year.

This dividend stock is well worth the attention of RRSP investors. Manulife last had an attractive price-to-earnings (P/E) ratio of 9.3. Moreover, it offers a quarterly dividend of \$0.28 per share. That represents a solid 4.1% yield.

RRSP investors should buy Royal Bank after earnings

Royal Bank ([TSX:RY](#))([NYSE:RY](#)) is the largest financial institution in Canada and the largest stock on the TSX by market cap. Bank stocks provide a balanced offering for RRSP investors on the hunt for solid capital growth and income. This dividend stock has delivered over five consecutive years of dividend growth. Shares of Royal Bank are up 28% year over year.

Canada's top bank released its first batch of 2021 results in late February. It delivered a profit of \$3.5 billion on the back of record earnings in its Capital Markets division. This does not come as a huge surprise considering the huge run North American markets have been on in late 2020 and early 2021. Royal Bank now offers a quarterly dividend of \$1.08 per share, representing a 3.7% yield.

Shares of this top dividend stock last had a solid P/E ratio of 14. RRSP investors can count on top bank stocks for the long haul.

One more super dividend stock to snag today

Pembina Pipeline ([TSX:PPL](#))([NYSE:PBA](#)) is the last dividend stock I want to focus on for RRSP investors today. In late February, I'd discussed why Canadians should stash energy stocks as [oil prices were on the rise](#). Pembina Pipeline is a top energy infrastructure company in North America. Its shares have climbed 20% in 2021 as of mid-afternoon trading on March 8.

In its final batch of 2020 results, Pembina delivered net revenue of \$3.44 billion — up from \$3.12 billion in the prior year. Adjusted cash flow from operating activities was up marginally from 2019.

This dividend stock offers a monthly distribution of \$0.21 per share. That represents a tasty 6.9% yield. RRSP investors can count on its steady income if they make a timely bet on the energy sector.

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2. NYSE:PBA (Pembina Pipeline Corporation)
3. NYSE:RY (Royal Bank of Canada)
4. TSX:MFC (Manulife Financial Corporation)
5. TSX:PPL (Pembina Pipeline Corporation)
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