RRSP Investors: The 3 Best Dividend Stocks to Buy This Spring

Description

Two years ago, I'd discussed why it was more important than ever for Canadians to maximize their Registered Retirement Savings Plan (RRSP). The nature of work has changed since the Great Recession. Defined-benefit pension plans will largely be extinct in the private sector by the end of this decade. Moreover, the rise of the gig economy means that Canadians must learn to forge their own path to secure a comfortable retirement. Today, I want to look at three dividend stocks to snatch up in the spring.

This top dividend stock offers superior diversification

Power Corporation (TSX:POW) is an international management and holding company with interests in the financial services, sustainable and renewable energy, asset management, and other business sectors around the world. Its shares have climbed 14% in 2021 as of mid-morning trading on March 19. The stock has surged 57% in the year-over-year period.

In Q4 2020, Power reported net asset value (NAV) per share of $41.27 — up 18.1% compared to September 30, 2020. Net earnings came in at $623 million, or $0.92 per share, compared to $179 million, or $0.42 per share, in the final quarter of 2019. For the full year, Power saw adjusted net earnings climb to $1.94 billion, or $3 per share — up from $1.27 billion, or $2.92 per share.

Shares of this dividend stock last had a favourable price-to-earnings ratio of 13. Power offers a quarterly dividend of $0.448 per share, which represents a strong 5.4% yield. This stock is well worth stashing for RRSP investors.

Why RRSP investors should stash Enbridge for the long term

Earlier this week, I'd looked at two energy heavyweights for Canadian investors to target. I'd suggested that investors on the hunt for income should snatch **Enbridge** (TSX:ENB)(NYSE:ENB) stock as oil and gas prices rebounded. This dividend stock has increased 11% in 2021. Shares are up 26% year over year.

Oil prices have suffered in the final trading days of this week in the face of rising bond yields and fears of higher inflation. Regardless, Enbridge is an elite option in this space and boasts a huge project pipeline. In 2020, the company secured $16 billion of secured capital growth capital. This is expected to support 5-7% DCF per share growth through 2023.

Enbridge possesses a P/E ratio of 30, which is better than the industry average. RRSP investors should be happy with its quarterly dividend of $0.835 per share, representing a tasty 7.4% yield.

One more dividend stock to stash in the surging energy space

TC Pipelines (TSX:TRP)(NYSE:TRP) is another stock worth targeting as oil and gas prices are on the march. This is another energy infrastructure company that operates in North America. Its shares have increased 9.6% in 2021. The stock is up 6.3% year over year.

This company achieved record earnings in 2020 in the face of the COVID-19 pandemic. It reported comparable earnings of $3.9 billion or $4.20 per share in 2020 — up $94 million, or $0.06 per share, from 2019.

Shares of this dividend stock have an attractive P/E ratio of 12. It last paid out a quarterly dividend of $0.87 per share. That represents a 6.1% yield. RRSP investors should look to scoop up this thriving company that offers nice value and a strong dividend.

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