RRSP Investors: 3 Smart Dividend Stocks to Buy Now

Description

This week, Statistics Canada revealed that inflation hit 4.1% for the month of August. This was the highest inflation rate recorded since 2003. Higher prices have put huge pressure on consumers since the start of the pandemic. The climate is even worse for savers. Options for income investors have become limited. If you are looking to keep up with or pass inflation, you will be forced to assume more risk. Today, I want to look at three dividend stocks that are a dependable option for RRSP investors. Let's dive in.

Investors can trust Enbridge in their RRSP forever

Enbridge (TSX:ENB)(NYSE:ENB) is one of the largest stocks on the TSX by market cap. The energy infrastructure giant has achieved a quarter century of dividend growth. RRSP investors have no reason to sit on cash when there are dependable dividend stocks like Enbridge available. Its shares have climbed 24% in 2021 as of close on September 16.

In Q2 2021, the company reaffirmed its strong full-year guidance. It expects EBITDA in the range of $13.9 billion to $14.3 billion, while it also projects distributable cash flow (DCF) per share of $4.70 to $5.00. Enbridge continues to boast a deep project pipeline, which makes it a supreme long-term target.

Shares of this dividend stock possess a favourable price-to-earnings (P/E) ratio of 16. RRSP investors can count on its quarterly distribution of $0.835 per share, which represents a very strong 6.5% yield.

Don't forget about this top income-yielding bank

Canadian bank stocks have cultivated a reputation of dependability over many decades. **Canadian Imperial Bank of Commerce** (TSX:CM)(NYSE:CM) is the fifth-largest Canadian bank. This dividend stock has climbed 37% in the year-to-date period. Its shares have increased 44% year over year.

The bank unveiled its third-quarter 2021 results on August 26. Adjusted net income was reported at $1.80 billion or $3.93 per share — up from $1.24 billion, or $2.71 per share, in the previous year. It achieved this on the back of adjusted pre-tax earnings growth of 12% in its Canadian Personal and Business Banking segment. Like its peers, it benefited from a big drop in provisions set aside for credit losses.

This dividend stock possesses a favourable P/E ratio of 11. It offers a quarterly distribution of $1.46 per share, representing a 3.9% yield. CIBC is a balanced option for RRSP investors.

One more dividend stock to snatch up in your RRSP

Emera (TSX:EMA) is a Nova Scotia-based company that is engaged in the generation, transmission, and distribution of electricity. Utilities have proven very dependable in the face of the COVID-19 pandemic. Shares of Emera have increased 9.5% in the year-to-date period.

The company released its second-quarter 2021 earnings on August 11. Adjusted earnings per share rose 17% from the prior year to $1.49 for the first six months of the year. Emera benefited from strong earnings at its EES and PGS operations as well as a lower corporate interest expense. The company's aggressive capital-investment plan aims to grow its rate base by 7.5% to 8.5% through 2023. This should fuel dividend growth through this period.

Shares of this dividend stock last had a P/E ratio of 24, putting it in very solid value territory relative to its industry peers. RRSP investors can count on its quarterly distribution of $0.637 per share. That represents a 4.3% yield.

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aocallaghan