



RRSP Investors: 2 Top TSX Dividend Stocks to Buy in November

Description

The TSX Index looks expensive, but some of Canada's top dividend stocks still trade at reasonable prices for buy-and-hold RRSP investors.

Bank of Nova Scotia

Bank of Nova Scotia ([TSX:BNS](#))([NYSE:BNS](#)) is Canada's third-largest bank with a current [market capitalization](#) of \$100 billion. The bank's Canadian operations made it through the pandemic in much better shape than many analysts might have expected in the spring of 2020.

The housing market didn't crash as predicted by CMHC. In fact, rather than plunging by up to 18%, house prices soared, fueled by record-low mortgage rates and a wave of buying in suburbs and smaller towns, as people sought out more floor space and a yard to cope with work-from-home mandates.

Government aid programs ensured most unemployed homeowners kept paying their mortgages and businesses maintaining loan payments. The end of the pandemic assistance programs will likely result in an uptick in bankruptcies, but the worst-case scenario has been avoided.

Bank of Nova Scotia's international operations took a heavier hit, but the division still managed to generate nearly \$500 million in earnings in fiscal Q3 2021. The recovery in the global economy, especially in the commodities sectors, should help the international group recover quickly in 2022. Bank of Nova Scotia's foreign operations are primarily located in Mexico, Peru, Chile, and Colombia. These countries rely on the production of oil and copper for a good chunk of their revenues.

Bank of Nova Scotia trades for a reasonable 11.5 times trailing 12-month earnings and currently provides a 4.4% dividend yield. The bank is expected to increase the distribution significantly when the government gives the Canadian banks the green light to restart dividend hikes.

BCE

BCE ([TSX:BCE](#))([NYSE:BCE](#)) is investing in [5G](#) networks and fibre optic lines to ensure it remains competitive in a rapidly changing communications industry. The purchase of \$2 billion in new spectrum this summer gave BCE the foundation it needs to expand its 5G offerings in the country and drive new opportunities for revenue growth.

The company is targeting adjusted EBITDA growth of 2-5% in 2021. Heading into 2022, revenue in the media businesses should improve, as pro sports teams play in front of full crowds again. Advertising revenue across the radio, TV, and digital platforms is already rebounding and that trend should continue.

In addition, lucrative roaming fees in the wireless division should bounce back next year, as people travel more for business and holidays.

BCE pays an annualized dividend of \$3.50 per share. At the time of writing, the stock trades for \$63.50 per share and offers a 5.5% dividend yield.

The bottom line on top dividend stocks for RRSP investors

Bank of Nova Scotia and BCE are top TSX dividend stocks with long track records of providing RRSP investors with attractive total returns. If you have some cash to put to work in a self-directed RRSP, these stocks should be solid picks today.

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