



Retirement Investing: 2 Top Canadian Dividend Stocks to Build RRSP Wealth

Description

Canadian savers are searching for top TSX [dividend stocks](#) to add to their self-directed RRSP portfolios.

BCE

BCE ([TSX:BCE](#)) ([NYSE:BCE](#)) is Canada's largest communications company with a market capitalization of \$59 billion. Being big has advantages in this sector due to the significant capital expenses required to upgrade existing wireline networks and build out new mobile infrastructure.

BCE has an aggressive fibre-to-the-premises program that runs new fibre-optic lines right to homes and businesses. This provides corporate customers with world-class broadband services and provides residential customers with the internet services they need to work from home. Owning the connection that connects right to the building helps BCE protect its wide competitive moat.

BCE spent \$2 billion in 2021 on new 3500MHz spectrum that will give the business the ability to expand its [5G](#) network. The new technology provides opportunities for additional revenue streams and will help drive growth in the coming years.

BCE reported solid 2021 results and the 2022 numbers should be even better. Advertising rebounded in the media business in 2021 and that trend is expected to continue next year. BCE could also see a recovery in roaming fees, although this will depend on the impact the new omicron variant has on travel in the coming months.

BCE is a good defensive stock to buy if you are searching for a generous dividend and also want to own a stock that is less susceptible to volatility in rocky global markets. BCE provides essential services in Canada, so it is relatively insulated from broader economic turmoil.

Investors who buy the stock today can pick up a 5.4% yield.

Bank of Nova Scotia

Bank of Nova Scotia ([TSX:BNS](#)) ([NYSE:BNS](#)) just raised the dividend by 11% and is restarting its share buyback program. The news comes on the heels of a strong fiscal Q4 and full-year 2021 earnings report.

Bank of Nova Scotia generated adjusted net income of \$10.12 billion in the 12-months ended October 31. That's up from \$6.96 billion in the previous year. The strong results show that the company has made it through the worst of the pandemic in good shape.

In the report, Bank of Nova Scotia's CEO said the company exceeded its medium-term financial targets in the year. Looking ahead, the Canadian business should deliver strong results in 2022, helped by anticipated increases in interest rates.

Bank of Nova Scotia's international group continued its recovery in 2021 with adjusted earnings coming in at \$1.86 billion, up 62% over fiscal 2020. Ongoing strength in the oil and copper market in 2022 will help the division. Bank of Nova Scotia's international operations are primarily located in Mexico, Colombia, Peru, and Chile that rely on oil and copper production to provide revenue.

Bank of Nova Scotia trades at a reasonable 11.3 times trailing 12-month earnings and provides a 4.6% dividend yield.

The bottom line on top TSX stocks for RRSP investors

BCE and Bank of Nova Scotia pay generous dividends with above-average yields. The companies should perform well in the next few years and have strong track records of delivering attractive long-term total returns. If you have some cash to put to work in your RRSP, these stocks deserve to be on your radar.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:BNS (The Bank of Nova Scotia)
3. TSX:BCE (BCE Inc.)
4. TSX:BNS (Bank Of Nova Scotia)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred

5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. aswalker
2. gsmiley

Category

1. Dividend Stocks
2. Investing

Date

2025/07/25

Date Created

2021/12/16

Author

aswalker

default watermark

default watermark