RRSP Investors: 3 Canadian Stocks to Hold Forever

Description

Statistics Canada recently released data on Registered Retirement Savings Plan (RRSP) contributions in the beginning of this new decade. According to the report, total contributions rose 13% from 2019 to 2020. RRSP investors may be faced with an increasingly challenging investment environment, as North American central banks pursue rate tightening. Today, I want to look at three Canadian stocks that are worth stashing in the first half of April.

Here's a Canadian stock you can trust for the long haul

Savaria (TSX:SIS) is the first Canadian stock I'd suggest for your RRSP right now. This Laval-based company provides accessibility solutions for the elderly and physically challenged in Canada and around the world. Shares of this Canadian stock have dropped 7.6% in 2022 as of close on April 7. That has pushed Savaria into negative territory in the year-over-year period.

The company unveiled its fourth-quarter and full-year 2021 results on March 23, 2022. Revenue increased to $661 million in 2021 — up 86% from the prior year. Meanwhile, adjusted EBITDA surged 67% year over year to $100 million. On March 4, 2021, Savaria bolstered its global position in the accessibility space with its acquisition of Handicare Group AB.

This Canadian stock is trading in favourable value territory compared to its industry peers. In late March, Savaria announced a monthly dividend of $0.0417 per share. That represents a 2.9% yield.

Top bank stocks are great sources of growth and income in an RRSP

Scotiabank (TSX:BNS)(NYSE:BNS) is a top Canadian bank known for its wide international reach, especially in Latin America. This Canadian stock has declined 3.7% so far in 2022. However, its shares are still up 11% from the previous year. Canadian banks are profit machines and offer solid income, which makes these equities a very strong target for RRSP investors.

Investors got to see Scotiabank's first-quarter 2022 earnings on March 1. Adjusted net income rose to $2.75 billion, or $2.15 per diluted share — up from $2.41 billion, or $1.88 per diluted share, in the previous year. In Q1 2022, its Canadian Banking segment delivered adjusted net income of $1.20 billion — up 32% from the first quarter of fiscal 2021. Moreover, adjusted net income in its International Banking segment rose to $552 million over $398 million.

Shares of this top Canadian stock possess a solid price-to-earnings (P/E) ratio of 10. It last paid out a quarterly dividend of $1.00 per share. This represents a solid 4.5% yield.

This Canadian stock is on track to becoming a Dividend King

Fortis (TSX:FTS)(NYSE:FTS) is the last Canadian stock I'd suggest for your RRSP today. This St. John's-based utility holding company is worth trusting for the long term. Shares of Fortis have increased 7.3% so far this year.

In 2021, adjusted net earnings posted 22% growth to $1.23 billion. Best of all, Fortis deployed capital expenditures of $3.6 billion. It is moving ahead with its $20 billion five-year capital plan in a bid to bolster its rate base in the coming years. Fortis has thus far delivered 47 straight years of dividend growth. It is on track to snagging a dividend crown, having delivered at least 50 consecutive years of dividend growth by the middle of this decade.

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