RRSP Investors: 3 Dividend Stocks to Buy on the Dip

Description

A new survey from Bromwich + Smith and Advisorsavvy revealed that four in 10 Canadians aged 55 and older have already delayed or plan to delay their retirement due to high debt levels. This has been exacerbated by soaring inflation over the past year. Moreover, over 60% of respondents said they have delayed retirement due to low levels of savings and/or investments.

In this piece, I want to look at three dividend stocks that are worth snatching up on the dip for RRSP investors in this bear market. Canadians saving for retirement should seek out opportunities that could lead to big gains in this uncertain environment.

This future Dividend King is perfect for an RRSP

Fortis (TSX:FTS)(NYSE:FTS) is the first dividend stock I'd suggest for your RRSP in the first days of summer. This St. John's-based utility holding company has seen its stock decline 1.8% in 2022 as of close on June 23. Its shares are still up 5.7% in the year-over-year period.

The company released its first-quarter 2022 results on May 4. Adjusted net earnings per common share moved up marginally to $0.78. More importantly, Fortis announced that its $4 billion annual capital plan was still on track. Its $20 billion 2022-2026 capital plan is set to dramatically grow its rate base. This, in turn, should support annual dividend growth of 6% through the end of the period.

This dividend stock has already delivered 47 straight years of income growth. That means Fortis is set to become a Dividend King this decade. RRSP investors should be interested in holding this utility for the long haul.

Here's an undervalued dividend stock that offers a very nice yield

Enbridge (TSX:ENB)(NYSE:ENB) is the largest energy infrastructure company in North America. The oil and gas sector have posted massive price increases in 2022 due to a rebound in demand and various geopolitical pressures. RRSP investors should be eager to hold dividend stocks like Enbridge in this climate. Its shares are up 6.9% in the year-to-date period.

In Q1 2022, the company reaffirmed its 2022 full year guidance range for EBITDA of $15 billion to $15.6 billion and distributable cash flow (DCF) per share between $5.20 and $5.50. Enbridge has delivered a quarter century of dividend growth. It currently offers a quarterly distribution of $0.86 per share. That represents a tasty 6.4% yield. Moreover, this dividend stock last had a favourable price-to-earnings ratio of 18.

One more dividend stock to add to your RRSP

Cogeco Communications (TSX:CCA) is a top North American communications company. This dividend stock is a dependable long-term option for RRSP investors. Its shares have dropped 12% in 2022. The stock has plunged 23% in the year-over-year period.

This company unveiled its second-quarter fiscal 2022 earnings on April 13. Revenue rose 14% year over year to $748 million. Meanwhile, adjusted EBITDA jumped 13% to $349 million. Shares of this dividend stock last had an attractive P/E ratio of 10. It offers a quarterly distribution of $0.705 per share, which represents a 3.2% yield.

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