



2 Top Canadian Income Stocks to Buy Now

Description

The downturn in the Canadian market is giving income investors a chance to buy some top dividend stocks at very attractive prices.

Here are the reasons why I think **BCE Inc.** ([TSX:BCE](#))([NYSE:BCE](#)) and **TransCanada Corporation** ([TSX:TRP](#))([NYSE:TRP](#)) are solid choices as we head into 2016.

BCE

BCE is a dominant force in the Canadian telecom and media space, and the company's strength continues to grow.

Management has amassed an impressive portfolio of media assets over the past few years in an effort to own the content customer's demand as well as the infrastructure used to deliver it.

With holdings that include sports franchises, a TV network, specialty channels, radio stations, Internet sites, and an advertising company, BCE has the full media spectrum covered.

This is important because advertisers want broad-based exposure when launching ad campaigns.

BCE is also investing in its world-class mobile and wireline networks to ensure customers can access as much data as possible regardless of their location.

The stock is down recently on news that **Shaw Communications Inc.** is entering the wireless market through its acquisition of Wind Mobile.

The deal adds a fourth national player that could make the Canadian market more competitive. I think the negative reaction in BCE's stock is overdone and consumers shouldn't hold their breath waiting for a flood of lower prices.

In fact, the deal might actually be good for BCE and its peers because it makes the market less appealing to a foreign competitor.

BCE pays a quarterly dividend of \$0.65 per share that yields 4.9%.

TransCanada

The rout in energy prices has taken a toll on nearly every stock connected to oil and gas markets.

TransCanada has had a particularly tough year because President Obama also rejected the Keystone XL pipeline. The project is certainly important and TransCanada has a lot of money invested in it, but several other projects are also on the go that will drive cash flow higher in the coming years.

In fact, TransCanada expects to complete \$11 billion in smaller projects by 2018, and there is still a chance that the Energy East pipeline, which is now expected to cost nearly \$16 billion, could be built by 2020.

The company also just won a US\$500 million bid to build a new natural gas pipeline in Mexico.

TransCanada pays a quarterly dividend of \$0.52 per share that yields 4.6%. The distribution is very safe and investors should see the payout increase as new assets go into service.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:TRP (Tc Energy)
3. TSX:BCE (BCE Inc.)
4. TSX:TRP (TC Energy Corporation)

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Author

aswalker

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