# 2 Top Dividend Stocks for Buy-and-Hold Investors

## Description

Market volatility can be stressful for investors with a short-term perspective, but the dips provide great buying opportunities for those who have a long-term outlook for their portfolios.



Here are the reasons why I think buy-and-hold investors should consider **Bank of Nova Scotia** (TSX:BNS)(NYSE:BNS) and **Enbridge Inc.** (TSX:ENB)(NYSE:ENB) right now.

**Bank of Nova Scotia**

Bank of Nova Scotia has underperformed its peers over the past five years, but that trend could reverse.

Why?

The bank is betting big on international growth with a specific focus on Mexico, Peru, Colombia, and Chile. These four countries form the core of the Pacific Alliance, a trade bloc set up to enable the free movement of capital and goods among the member states.

With the global economy looking weak, this might not seem like the best time to be investing in Latin America, but the long-term prospects are compelling and Bank of Nova Scotia's strategy is already paying off.

The international operations delivered a 33% gain in income in Q4 2015 compared with the same period in the previous year. Loans rose 17% and deposits increased 19%.

What's going on?

Businesses are expanding their reach into the member markets, and they need a wide variety of cash management products and other services. By having a strong presence in each country, Bank of Nova Scotia is well positioned to benefit from the increase in trade.

Retail opportunities are also very attractive.

The Pacific Alliance countries are home to roughly 200 million consumers with a much younger profile than more developed markets. As the middle class expands, demand rises for credit cards, car loans, lines of credit, and investment products.

Bank of Nova Scotia pays a quarterly dividend of $0.70 per share that yields about 5%. The stock currently trades at an attractive 9.9 time earnings.

Emerging markets offer much more growth potential than Canada, so Bank of Nova Scotia should be a big winner in the long term.

**Enbridge**

The oil crisis has taken a toll on every stock connected to the energy sector, but in the case of Enbridge, the sell-off looks overdone.

Enbridge does not produce oil; it simply moves the product from the producer to the end user and charges a fee for providing the service. The company also has an extensive natural gas distribution business and renewable energy assets.



The growth outlook for the pipeline sector is not exactly rosy at the moment, but Enbridge already has $38 billion in projects in the works with $25 billion fully secured and targeted for completion over the next three years.

This will ensure revenue and cash flow continue to rise in the medium term, and investors should see strong dividend growth as a result. In fact, Enbridge plans to increase the payout by 14% per year through 2019.

The company offers a dividend yield of 4.7%, so investors can sit back and collect some solid returns while they wait for the energy market to recover.

Demand for new pipeline infrastructure should continue to rise as companies seek efficient ways to move product to the coast. If you look beyond the short-term challenges, Enbridge is an attractive pick for the long haul.

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1. Bank Stocks
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**TICKERS GLOBAL**

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

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