



Top 3 Dividend Stocks for 2019

Description

Canadian investors are truly blessed to have access to some of the best-performing dividend investments on the market. Many of these investments go far beyond just having an attractive yield and offer stable business models and recurring sources of revenue that translate into ideal long-term holdings that investors can truly buy and forget.

Here are [three options to consider](#) adding to your portfolio now that 2019 is finally here.

The utility with a diverse portfolio

Algonquin Power & Utilities ([TSX:AQN](#))([NYSE:AQN](#)) is a unique utility investment worthy of mention. Typically, utility companies offer handsome dividends that stem from what is a very stable business model that provides a recurring source of revenue. In the case of Algonquin, that quarterly dividend provides a healthy yield of 4.92%.

So, what makes Algonquin such a great investment? Algonquin is well diversified both geographically as well as in the type of utilities offered. Algonquin's Liberty Power subsidiary has a portfolio of over 35 renewable energy facilities in Canada and the U.S., placing Algonquin at an advantage over its fossil fuel-burning peers, while Liberty Utilities provides electric, gas, and water utility services to over 750,000 customers in a dozen different U.S. states.

In terms of a dividend, Algonquin's attractive 4.92% yield not only benefits from the safety of the stable utility business model but is also covered by earnings and provides a higher return than many of its peers.

A well-established telecom

BCE ([TSX:BCE](#))([NYSE:BCE](#)) may be Canada's largest telecom, but there's more to this behemoth than its lucrative, recurring income stream. Over the past decade, [telecoms have grown](#) to encompass a flurry of new services to offset stagnating demand in others. Wireless service is a key example, as

customers continue to cut the cord on traditional wireline services in lieu of attractive (and pricey) data plans. Even more incredible is the fact that unlike the wired phone service it is replacing, wireless connections have become a necessity of our modern society, replacing hundreds of one-use devices over the years.

As a dividend investment, BCE excels in three ways. First, there's the massive moat that BCE has over the country, with an impressive media empire that both complements the traditional core subscription services and contributes to the company's bottom line.

Second, there's BCE's dividend itself, which, after over a century of rewarding shareholders, continues to provide an impressive quarterly payout with a yield of 5.60%.

Finally, there's the potential for new vertical business opportunities that continue to be exposed to advances in technology. One recent example of this is BCE's entry into the home security and monitoring segment of the economy through its acquisition of AlarmForce. Specifically, the monitoring service provides an opportunity to cross-sell to prospects on either side of the fence.

An energy infrastructure titan

Finally, let's take a moment to talk about **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)).

Enbridge's massive pipeline network connects the oil-rich areas of Alberta to U.S. refineries as well as storage locations across North America, charging fees to the companies that utilize Enbridge's network, not unlike how a toll-road network works in charging vehicles for using the road. Enbridge's network is just one of several reasons why the company is an attractive option.

Another reason to consider Enbridge has to do with the fallout from its massive deal for Spectra Energy. The multi-billion-dollar deal, which closed nearly two years ago, came at an expensive cost for Enbridge; the company took on a lot of debt through the deal, which squeezed Enbridge to the point that credit agencies eventually downgraded the company, pushing some investors to bail on what is otherwise an incredible investment.

Potential investors should keep in mind that despite the now 20% drop over the past two years, Enbridge has successfully restructured itself and maintains a very successful business with a backlog of shovel-ready, new projects that are measured in the billions.

Finally, there's Enbridge's dividend, which currently offers investors an incredible 7.14% yield that is both sustainable and growing. Investors looking for a long-term investment that they can buy and forget for a decade will find a perfect match in Enbridge.

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2. NYSE:BCE (BCE Inc.)

3. NYSE:ENB (Enbridge Inc.)
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