



Building Canadian Wealth: 2 Top Dividend Stocks to Buy Now

Description

For Canadian long-term investors looking to build their wealth for their [retirement](#) years, they need look no further than their own backyard, the **S&P/TSX Composite Index**.

Recent market troubles, interest rate action, and troubles in the Canadian oil and gas industry have unearthed some very attractive opportunities.

In my opinion, many defensive companies that have great [long-term](#) prospects have gotten hit too hard, and they now present investors with great buying opportunities.

Here are two such stocks that investors should consider buying for their long-term investing and retirement goals.

TC Pipelines ([TSX:TRP](#))([NYSE:TRP](#))

For more than 65 years, TC has been developing and maintaining energy infrastructure, while handsomely rewarding shareholders. And with a current dividend yield of 5%, it's hard to find a safer income stream at these levels than this.

In the last 10 years, TC stock has provided shareholders with a 64% return, while delivering yearly dividend increases, which brought the dividend per share from \$1.52 to \$2.76.

That's strong growth indeed.

TC has above-average, visible growth and an infrastructure presence that should ensure strong growth well into the future.

Investors can expect continued dividend growth of 8-10% through to 2021, making the stock an attractive option for TFSA investors.

AltaGas ([TSX:ALA](#))

The long-awaited dividend cut and credit-rating downgrade have finally come, and after a downward spiral, what's next for AltaGas stock?

Now that the dividend and the stock price have effectively been reset, the future is actually looking good. The stock is up 17% from its December lows and currently has a dividend yield of 6.8%, with a payout ratio next year of approximately 50%.

A focus on gas midstream and regulated gas utilities should drive solid cash flow growth, as the company focuses on achieving synergies from WGL acquisition, and as WGL's high-quality assets and market position brings AltaGas many growth opportunities and accretion.

The recent approval of LNG Canada's project bodes well for AltaGas stock, both in terms of market sentiment and in terms of actual volumes that will ultimately come through AltaGas Montney facilities.

The company also has a diversified infrastructure platform of high-quality assets, and much of it is under long-term contracts.

While the company has been anything but confidence inspiring, its rating remains investment grade, and its business should be a stable, defensive business on a long-term basis, offering investors a long-term, dividend-paying stock.

Final thoughts

I recommend that we keep our eyes on the long term so that we can profit from the market turmoil that we have been feeling all around us these days.

TC and AltaGas have solid positions in their industries and billions of dollars in assets and revenue, and they will be around for the long term.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:TRP (Tc Energy)
2. TSX:ALA (AltaGas Ltd.)
3. TSX:TRP (TC Energy Corporation)

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