



TFSA Investors: 3 Dividend-Growth Stocks You Should Own Right Now

Description

If you're a serious investor, I don't have to tell you the importance of dividends in a portfolio. For those that are a bit newer to the game, having a few investments that share the wealth by giving out dividends is an excellent way to bring in some cash, even when the stock isn't performing as you expected.

However, there are a few stocks out there that are not only performing well; they're still undervalued. And, of course, they offer amazing dividends that will have you buying right after reading this article.

Enbridge

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) is on a number of dividend stock lists, and there are a few great reasons. The stock has been rallying since the beginning of the year but is still nowhere near its fair-value price in the mid-\$60 range.

That's because oil and gas is still a sore topic for most stocks, but not completely for Enbridge. The company has a number of long-term contracts that keep a steady cash flow coming in even while they wait for pipeline approval.

And that approval finally came on Mar. 28, when [Line 3 was approved in Minnesota](#) to replace and expand the existing 1.755-kilometre pipeline that runs from Edmonton to Wisconsin. When the pipeline is completed in the latter half of next year, it should have a capacity of 370,000 barrels per day, ending Canada's bottleneck woes and sending share prices soaring.

So, that shows off Enbridge's strengths, but as for its dividend, it already shines at 5.99% at the time of writing this article. And the company has a long-standing history of increasing that dividend by 10% each year, which doesn't look like it will end any time soon.

Canadian Utilities

Another great stock that's been on a steady increase over the past year is **Canadian Utilities** ([TSX:CU](#)). This stock is great for those who are also potentially worried about a recession and don't want to wait to protect themselves.

As fellow Fool writer Joey Frenette pointed out, utilities tend to do well during a financial crisis, so this stock could actually see quite a lot of gains even if there is an economic downturn. Whereas elsewhere you might want to wait to buy stocks if a recession comes, in the case of Canadian Utilities, you'll want to buy now.

And the stock may not just include share growth, but also dividend growth. Right now, Canadian Utilities offers a very nice dividend of 4.63% with shares trading around fair value at about \$36 per share at the time of writing.

BCE

BCE ([TSX:BCE](#))([NYSE:BCE](#)) may not be the most exciting stock in your portfolio, but in this article, we aren't looking for exciting. We're looking for dividend growth. And that's where investors can see this stock shine.

The telecommunications company has been around the block enough to know how to keep things on a steady increase. By acquiring companies every now and again and keeping organic growth at a slow but steady pace, it can continue to show its strength.

And just like Canadian Utilities, [telecommunications stocks tend to be resistant to recessions](#), as Fool writer Nelson Smith points out. With a monopoly on the telecom industry shared pretty much only with **Rogers Communications**, investors also don't have to worry about it going under any time soon.

Finally, this stock has a dividend every investor should be happy with. At 5.34% at the time of writing this article, it's already a strong dividend, but the company also has a history of increasing that dividend each year since 2009.

Having all these stocks in your portfolio will not only help you see some growth, even if Canada is hit with a recession, but will put cash in your pocket with these super dividends.

CATEGORY

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3. TSX:BCE (BCE Inc.)
4. TSX:CU (Canadian Utilities Limited)
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