3 Dividend Stocks I'd Buy Right Now

Description

Finding an interesting mix of income-producing stocks is a must for any well-balanced portfolio. Particularly in the early years of investing those dividends can be reinvested to provide another avenue for long-term growth.

Fortunately, there are plenty of investment options on the market today that can provide years of lucrative growth and income-earning potential. Here are three investment options worthy of consideration.

Toronto-Dominion Bank (TSX:TD)(NYSE:TD) is the first stock to mention on the list, and for good reason. TD is one of the largest banks in Canada, and in addition to that sprawling network of branches here in Canada, TD has the largest network of branches in the U.S. across any of Canada's Big Banks, with a network that covers the east coast from Maine to Florida. In fact, TD is now one of the top 10 banks in the U.S. market, with the bank's growing exposure to the U.S. market accounting for a third of earnings.

That prominent presence in the U.S. not only provides a healthy bump during earnings season, but also provides a notable hedge against any potential downturn in Canada.

Turning to dividends, TD's quarterly payout is both stable and growing with a slew of annual or better upticks going back years, and the bank has been paying out a dividend for well over a century. TD currently provides a healthy 3.87% yield.

Telus (TSX:T)(NYSE:TU) is another great pick for income-seeking investors. As one of the Big Three telecoms in the country, Telus benefits from the recurring revenue stream that comes from operating subscription-based services, which includes one of the largest wireless networks in the country.

That wireless network is one of two key reasons investors should consider Telus. Over the course of the past decade, wireless service has gone from being strictly a means of communications to a necessary must-have of our modern society. Smartphones are constantly adding new features that enhance and replace separate devices we once needed, and developers are augmenting applications with increased functionality, making use of larger data allowances.

In other words, telecoms such as Telus are benefiting greatly from the ongoing advancements in technology, both in terms of subscribers and revenue.

The other point to consider is Telus' dividend. Most telecoms provide investors with healthy dividends, and Telus meets that requirement easily. Telus currently offers an appetizing 4.42% yield, which is not only competitive against its telecom peers, but downright attractive given the recurring nature of the business.

Adding to that appeal is the fact that Telus has provided investors with healthy annual or better hikes to that dividend in the past year, providing a solid income stream for long-term investors.

TransAlta Renewables (TSX:RNW) is the third dividend stock to consider today. For those that are unaware, TransAlta Renewables has a portfolio of 34 renewable energy facilities across 10 operating regions that provide a generating capacity of 2,407 MW.

Here's the thing with renewable energy: it's something that's only going to get bigger as time goes on. Everyone realizes that there's something called climate change and that we need to stop the fossil fuels, but we often disregard the ongoing power needs in our homes and businesses that are still reliant on traditional fossil-fuel burning facilities.

As those legacy facilities come to their end of life and long-term PPAs are renewed with renewable facilities, we can expect TransAlta Renewables to garner significant growth.

In terms of income-earning potential, TransAlta Renewables benefits from the incredibly stable and lucrative recurring revenue model that utilities are known for, which currently offers a monthly payout that amounts to an impressive 6.78% yield.

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TICKERS GLOBAL

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2. NYSE:TU (TELUS)
3. TSX:RNW (TransAlta Renewables)
4. TSX:T (TELUS)
5. TSX:TD (The Toronto-Dominion Bank)

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