



Earn \$1,000 of Passive Income From Enbridge (TSX:ENB) Stock Now

Description

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) is an incredible dividend stock that offers excellent value and fat passive income.

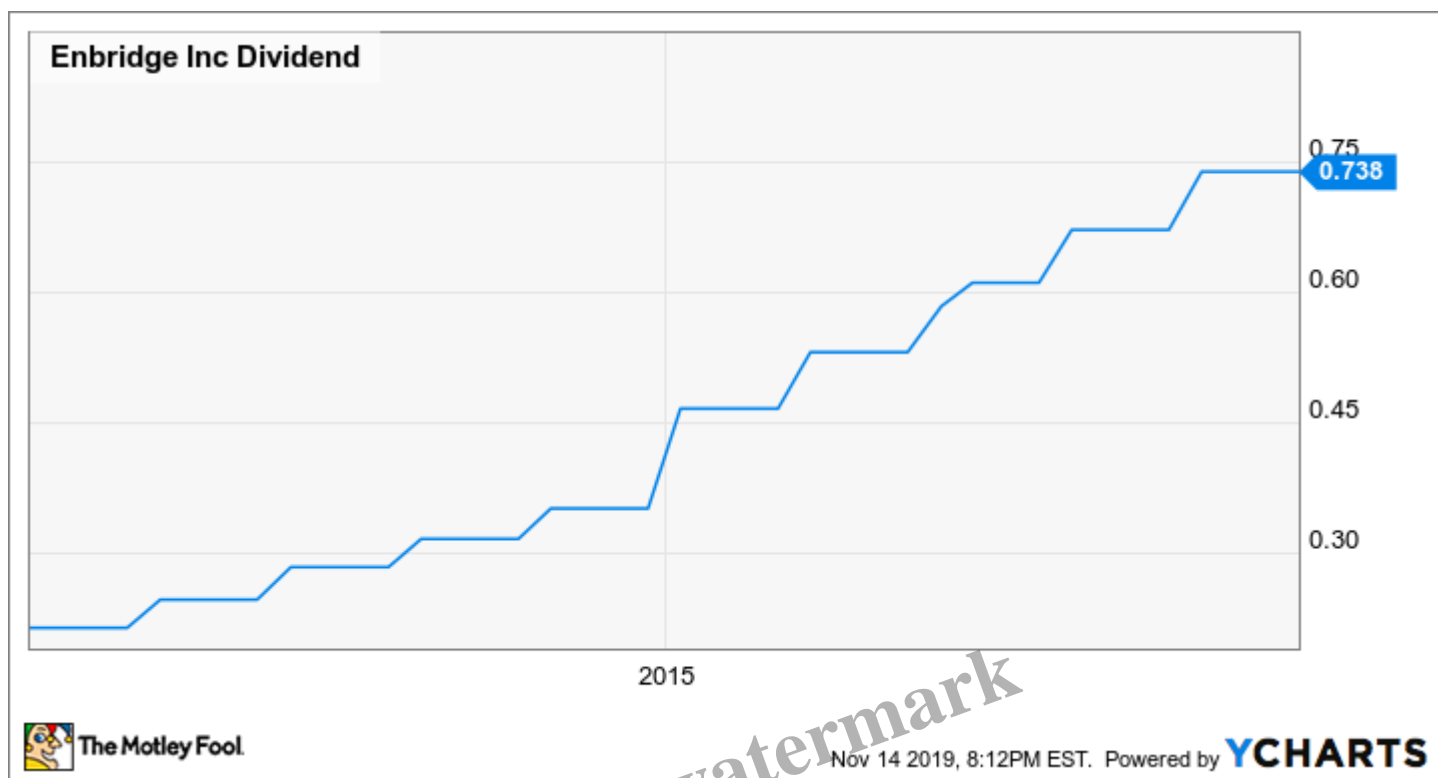
We haven't had that many chances to buy the Dividend Aristocrat at such a high yield in the past 20 years!



ENB Dividend Yield (TTM) data by YCharts. Enbridge stock's historical yield.

ENB stock's dividend-growth track record is fabulous. It has increased its dividend for 23 consecutive years and counting. Its 10-year dividend-growth rate of 15% is incredible. And its sustainable payout

ratio and debt levels suggest that the company will have no problem sustaining its juicy dividend.



ENB Dividend data by YCharts. ENB stock's 10-year dividend growth track record.

Enbridge is about to increase its dividend again!

Enbridge's payout ratio is roughly 66% of distributable cash flow, and its debt-to-EBITDA ratio of 4.6 times is reasonable. Throw in the \$9 billion capital program for 2019, and there's no shortage of growth for the robust company.

The elephant in the room is the Canadian portion of the Line 3 replacement project, which totals an investment of \$5.3 billion. This project will be put on stream in about two weeks, which is partly why the stock has rebounded about 16% since the August low.

With these projects in place, investors eagerly anticipate a dividend hike from Enbridge very soon in the first quarter of 2020.

Get \$1,000 of passive income from Enbridge

Enbridge is inclined to increase its dividend by about 10% next year. Never mind if it will actually increase the dividend by 5% or 10%. Based on *today's* yield of 5.9%, to get \$1,000 of [passive income](#) a year from Enbridge stock, investors only need to invest roughly \$16,949 today for 339 shares.

Assuming Enbridge increases the dividend by 5% in 2020, investors will need to invest \$16,150 for 323 shares to earn \$1,000 of income in year one. Assuming a dividend hike of 10%, investors will need to invest \$15,400 for 308 shares.

Enbridge is a leader you can trust

Enbridge is a true passive-income generator for its shareholders. You can buy the stock and trust that the dividend income will keep rolling in every quarter.

Enbridge is a North American leader when it comes to transporting and storing energy. It exports about 70% of the crude produced in Canada, and it transports close to 25% of the oil and gas in North America.

Enbridge's industry is regulated. So, the company's cash flows are highly predictable. About 98% of its cash flow are regulated or under long-term agreements. Additionally, 93% of its counterparties are investment grade.

The top energy stock's cash flows have been absolutely resilient against low energy prices. This is reflected in its share price. Year to date, Enbridge generated \$10 billion of cash flow, which was an increase of 6% year over year. And the stock has climbed 18% from the start of the year.

Investor takeaway

[Don't miss out on undervalued](#) Enbridge as a stabilizer and cash cow for your portfolio. Earn awesome passive income with a succulent starting yield of 5.9%, which will likely boost to a yield on cost of 6.5% in a few months!

Stay hungry. Stay Foolish.

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