5 Canadian Dividend Stocks to Build Wealth in 2020

Description

The year 2020 may ultimately be good year to take the long view with your investments. With the stock market hitting all-time highs while the economy simultaneously slows, it's possible that a correction is on the horizon.

However, there are still many solid dividend stocks available that pay you cash money in bull or bear markets.

This makes today's market a great environment for buying stocks that increase your income gradually over time. The following are five stocks that promise to do exactly that.

Enbridge Inc (NYSE:ENB)(TSX:ENB) is Canada's largest pipeline company and one of its highest-yielding dividend stocks. The company's shares yield 6.2% as of this writing, and management increased the dividend by 10% this year.

Over the past three years, Enbridge has produced strong growth metrics, such as increasing net income from $250 million to $2.8 billion. However, investor wariness toward energy stocks has kept the share price low, resulting in a massive yield that's only growing with time.

The **Canadian National Railway** (NYSE:CNI)(TSX:CNR) is Canada's largest railway company. Shipping $250 billion worth of goods per year, it's a cornerstone of the economy. Over the years, CN has beaten the market, thanks largely to strength in its crude-by-rail business.

Late last year, the company faced a number of headwinds, including a delayed grain harvest and a diminishing BC lumber supply. Now, things are starting to normalize, and CN is back on track.

Algonquin Power & Utilities Corp (NYSE:AQN)(TSX:AQN) is a Canadian utility that supplies natural gas and electricity to customers mainly in the United States.

Over the years, it has handily outperformed the **TSX** thanks to its strong growth and favourable currency exchange impacts. If you buy AQN today, you'll get a 3.93% yield on your shares, along with the chance of seeing the payout increase over time.

Toronto-Dominion Bank (NYSE:TD)(TSX:TD) has been Canada's fastest-growing bank over the past decade, thanks to a large and growing U.S. retail business.

It has handily outperformed the TSX and all of its peers in the Big Six. This year, the bank faced some challenges pertaining to commercial banking and **TD Ameritrade**, but still grew its earnings by 3% for the full year. While that's down from past years, it's better than what many Canadian banks pulled off for 2019.

Brookfield Asset Management (TSX:BAM.A) is one of Canada's largest asset management companies. It manages assets in renewable energy, business financing, real estate and infrastructure. The company has a unique business model, which involves raising capital as an asset manager and using the float to make investments.

Recently, Fool contributor Vishesh Raisinghani compared this business model to Warren Buffett's approach, which involves using insurance float to make investments for Berkshire Hathaway's portfolio.

While it may be a novel approach, you can't argue with results: BAM's AUM have seen 16% compound annual growth over the past five years, making it a market-beating investment manager.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Energy Stocks
4. Investing

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:CNI (Canadian National Railway Company)
3. NYSE:ENB (Enbridge Inc.)
4. NYSE:TD (The Toronto-Dominion Bank)
5. TSX:AQN (Algonquin Power & Utilities Corp.)
6. TSX:BN (Brookfield)
7. TSX:CNR (Canadian National Railway Company)
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