



This Top Dividend Stock Will Make Your Portfolio Shine

Description

There are investment opportunities to be realized across all corners of the market. While some are clearly better than others, there are a few investments offering growth and income-earning capabilities packaged together in a [defensive package](#) that can be left on autopilot for a decade or more.

If that sounds intriguing, allow me to take a few moments to talk about **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) and what the company can do for your portfolio.

Just go with the flow

Enbridge is one of the largest energy infrastructure companies on the planet and is best known for its massive pipeline network that covers large parts of the U.S. and Canada. In terms of volume, the pipeline network transports a quarter of all of North America's needs, and a whopping 20% of all the natural gas consumed in the U.S.

As impressive as that volume sounds, what investors should really be excited about is how Enbridge charges customers for use of that pipeline network. In short, Enbridge doesn't charge based on the price of the commodity being transported, but rather the volume of the commodity traversing its network.

What this means is that Enbridge is largely removed from the volatile price of crude, and instead can focus on earning a stable and recurring source of revenue. In many ways, the pipeline business model closely resembles the passive nature of a toll road network.

If that weren't reason enough to consider adding Enbridge to your portfolio, prospective investors should take note of the fact that Enbridge has a project backlog measured in the billions, all of which are set to expand that already impressive pipeline network into additional markets.

By example, in the most recent quarter, Enbridge brought \$7 billion of new projects online, including the lucrative yet highly controversial Canadian segment of the Line 3 Replacement project.

Enbridge's impressive pipeline network may be the company's most well-known asset, but investments into other areas are beginning to show promise as well.

Since 2002, Enbridge has been investing in a variety of renewable energy projects, such as the \$2.1 billion spent on offshore wind projects in Europe in 2015. Enbridge's renewable energy footprint in North America currently provides for the energy needs of over 700,000 homes.

What about results?

Earlier this month, Enbridge reported earnings for the fourth quarter and full fiscal 2019. While the results were nothing short of stellar over the full fiscal year, they were below expectations on a quarterly basis, where earnings dipped 3.7% over the same quarter last year.

Over the full year, Enbridge reported GAAP earnings of \$5,322 million, or \$2.64 per common share, reflecting a massive improvement over the \$2,515 million, or \$1.46 million reported in the prior fiscal.

Adjusted EBITDA over the full fiscal amounted to \$13,271 million, which showed improvement over the \$12,849 million reported in fiscal 2018.

The handsome results for the full fiscal led to Enbridge announcing a generous 9.8% increase to its quarterly dividend, which now stands at \$0.81 per share at writing.

What should you do?

Enbridge is a great pick for any well-diversified portfolio. The incredibly stable business coupled with strong growth and income-earning capabilities should appeal to nearly every type of investor.

Factor in a [growing renewable energy portfolio](#) and a backlog of lucrative projects and you have an investment that will pay dividends for decades.

In short, buy it, hold it, get rich.

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