2 TSX High-Yield Dividend Stocks to Buy Today!

Description

The recent market crash has brought the **S&P/TSX Composite Index** down by more than 20% in the last couple of weeks. While markets don't appear to have bottomed out just yet, it would be prudent to invest in **TSX** heavyweight dividend stocks available at discounted valuations.

Let's take a look at **Manulife Financial** (TSX:MFC)(NYSE:MFC) and **Enbridge** (TSX:ENB)(NYSE:ENB), which tick all those boxes.

Manulife Financial

The $38 billion insurance giant Manulife Financial has operations primarily in the US, Canada, and Asia. The stock has fallen more than 30% since mid-February and is currently trading close to its October 2016 levels.

The fall was expected, as the company has a large business coming from its Asia operations. Thus, its earnings in the next few quarters could take a dent amid the coronavirus outbreak in China. Additionally, the epidemic is spreading fast in other major Asian economies as well, which could concern investors.

However, Manulife's large operations in Canada and the U.S. could serve as a cushion for its earnings to some extent. Moreover, a few quarters of underperformance should not discourage long-term investors.

Notably, MFC stock is currently trading just six times its expected earnings for the next 12 months, which looks substantially cheap compared to its five-year historical average valuation of 11 times earnings.

MFC stock offers a dividend yield of 5.5%, and managed to increase dividends by an appealing 12% compounded annually in the last five years. In 2020, the company is expected to pay dividend of $1.12 per share.

Manulife remains a fundamentally sound company. MFC looks like a favourable risk-reward play at the moment. Quality business at an attractive valuation with a juicy yield make it an alluring dividend stock pick in the current market scenario.

Enbridge

Top Canadian energy infrastructure company Enbridge stock has plunged 25% amid the recent market volatility.

As a midstream player, Enbridge doesn't have an exposure to energy commodity prices, which makes it a safe bet. Almost entire of its earnings come from fixed fee contracts and thus are stable and predictable.

Even if the oil prices plunge further from here, Enbridge's bottom line will be safe. Oil producers will cut back their productions then, and there will be a reduced volume to transport to refineries. However, it will have only a limited impact because of its unique asset base and a large scale. Enbridge transports more than 25% of North America's total oil needs.

Enbridge has increased its dividends for 25 consecutive years. Its long dividend payment history indicates reliability. It offers a yield of 7.3%, which is notably higher than that of broader markets. Its dividend growth rate was 16% compounded annually in the last five years.

Enbridge stock is currently trading at 16 times its estimated earnings for the next 12 months, notably cheap against its historical valuation. With a robust dividend yield and strong earnings prospects, make ENB stock attractive from the total return potential.

This market crash has brought many lucrative opportunities for long term investors. The volatility can be used to buy Canadian top-yielding dividend stocks.

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2. NYSE:MFC (Manulife Financial Corporation)
3. TSX:ENB (Enbridge Inc.)
4. TSX:MFC (Manulife Financial Corporation)

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