



TSX Royalty: 3 Dividend Stocks Yielding Up to 7.7%

Description

Earlier this month, I'd explained why Canadians should look to buy up [quality dividend stocks](#) in this hot market. There is no guarantee that we will face another sharp downturn in the second half of 2020. However, in such an event it is always good to hold stable and high-performing dividend stocks in your portfolio.

Today, I want to look at three dividend stocks that qualify as Canadian royalty for their dependability, history, and yield.

Chasing the crown: Hold this dividend stock forever

It is easy to heap praise on **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)). Back in June, I'd explained why this is a [dividend stock you can hold forever](#). Shares of Fortis have climbed 2.1% in 2020 as of close on July 16. The stock is up 8.1% year over year.

In Q1 2020, Fortis reported net earnings of \$312 million or \$0.67 per share. The St. John's-based utility holding company provides essential services, which have kept its operations going during the pandemic. Best of all, Fortis announced that its \$18.8 billion five-year capital plan and dividend-growth guidance remained unchanged in the face of these headwinds.

Fortis last increased its quarterly dividend to \$0.4775 per share. This represents a 3.5% yield. The company has achieved dividend growth for 47 consecutive years. Its capital plan will support significant rate base growth, which Fortis projects will support annual dividend-growth of 6% through 2024. This dividend stock is on its way to becoming the first dividend king on the **TSX**.

Why I still love Enbridge in July

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) is a long way from being crowned a dividend king, but it still has an impressive track record. Shares of the energy infrastructure giant have dropped 15% in 2020 so far. The stock is down 4.2% from the prior year. Regardless, this dividend stock is well worth stashing for

the long term.

In the first quarter of 2020, Enbridge reported adjusted EBITDA that was largely flat from the prior year. Meanwhile, cash provided by operating activities increased to \$2.81 billion over \$2.17 billion in Q1 2019. Investors can expect to see its second quarter 2020 results unveiled in a webcast on July 29.

Shares of Enbridge last possessed a P/B value of 1.4 but a high P/E ratio of 44. The dividend stock currently offers a quarterly distribution of \$0.81 per share, representing a tasty 7.7% yield. Enbridge has delivered annual dividend increases for 25 years in a row.

One more dividend stock in telecom to snatch up

Telecom has proven to be a dependable space for income investors in recent years. **BCE** ([TSX:BCE](#))([NYSE:BCE](#)) is one of the largest Canadian telecoms and a very reliable dividend stock. Shares of BCE have been mostly static in 2020. It is currently trading in the middle of its 52-week range.

BCE released its first-quarter 2020 results on May 7. Adjusted EBITDA increased 1.4% year over year in Q1 2020. The company reported 45,042 net wireless, retail internet, and IPTV net customer additions. Meanwhile, BCE elected to withdraw its 2020 financial guidance in response to the uncertain domestic and global environment.

In its Q1 report, BCE announced a quarterly dividend of \$0.8325 per share. This represents a strong 5.8% yield. BCE has delivered dividend growth for 11 straight years. Moreover, this dividend stock last had a favourable P/E ratio of 17 and a P/B value of 2.7.

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