



## Just Got Laid Off? Get Income from These 3 Dividend Stocks

### Description

If you just got laid off, it's a scary notion to lose that income. However, if you have been working for at least several years, you probably have some decent savings.

With interest rates as low as they are, you'll earn close to nothing by earning interests after inflation is accounted for. Consider putting some of your savings in solid dividend stocks such as the three introduced below to start earning passive income immediately.

### TD stock for a 4.7% yield

**Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) and its predecessors have been around for more than 164 years. TD stock has been a proven dividend payer for a long time. It maintained its dividend even during the financial crisis about 11 years ago that was a major blow to the world's financial system.

In the current recession, TD Bank is set to survive and, in all likelihood, will at least maintain its dividend. The leading North American bank just reported its fiscal Q3 results today.

Year to date, it reported adjusted net income of nearly \$7 billion (\$3.76 on a per-share basis), implying a payout ratio of about 63% that keeps the dividend safe.

It could take a few years for the economy to normalize and the TD stock price to recover. Meanwhile, the sound bank pays a bigger yield than normal of 4.7% to compensate for the wait.

### Enbridge stock for a 7.6% yield

**Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) is another blue-chip dividend stock for income. Volatile energy prices, which shook up the energy sector, has been no match for Enbridge stock's stable cash flow.

In the first half of the year, Enbridge reported adjusted EBITDA, a cash flow proxy, of more than \$7 billion, up 1.4% year over year. Its distributable cash flow (DCF), from which it pays out dividends, also

increased by a similar rate. This is an incredible achievement given the doom and gloom revolving around the energy sector.

The leading North American energy infrastructure company reaffirmed its 2020 DCF-per-share guidance of \$4.50 to \$4.80, which implies a payout ratio of about 70%.

Enbridge stock provides a boosted yield of 7.6% today.

## A utility stock for a 7% yield

As a relatively small North American utility, **Capital Power** ([TSX:CPX](#)) [provides greater growth than its peers](#). It has been increasing its dividend by about 7% per year since 2015. This rate is set to continue for next year as well.

Today, the utility owns 6,680 MW of capacity, including three renewable power projects that are in advanced development.

Over the last six years, the company has really transformed for the better.

First, Capital Power has contributed to the greening of the environment by going from 33% gas and renewables generation to 71%. These are also the growth areas to be in.

Second, the utility has increased its contracted capacity from 58% to 79%, which better secures its profitability. During this period, its adjusted cash flow per share has approximately doubled with a growth rate of about 12%.

Third, it has substantially reduced its exposure to Alberta from 76% to 50%.

Only 2% of Capital Power's young fleet of assets are anticipated to retire over the next 10 years. Additionally, the portfolio has an average 11-year power purchase agreement term remaining.

For starters, the dividend growth stock yields 7%.

## The Foolish takeaway

If you just got laid off, start refilling some of that income with safe dividend stocks, while you seek your next challenge!

If you buy the same amount in TD stock, Enbridge stock, and [Capital Power](#) today, you'll get an average yield of about 6.4%. This is a very attractive income no matter how much you invest.

Investing \$100,000 will generate roughly \$6,400 a year (or \$533 a month).

### CATEGORY

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

5. Stocks for Beginners

## TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:CPX (Capital Power Corporation)
4. TSX:ENB (Enbridge Inc.)
5. TSX:TD (The Toronto-Dominion Bank)

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