3 TSX Dividend Aristocrats You Can Buy With Just $100

Description

Investing in stocks doesn't require tons of money. You can start investing, even with small dollar amounts. What I love about stocks is that even a small but regular investment in a fundamentally strong company could accumulate a significant amount of wealth in the long run.

Take one of the safest stocks, **Fortis** (TSX:FTS)(NYSE:FTS), for example. Fortis, which runs a regulated utility business and generates predictable cash flows, has delivered an average annual total return (including dividend and share price appreciation) of 14% in the past 20 years.

What it means is that a $100/month investment in Fortis stock for 20 years would now be worth $131,635, thanks to the power of compounding. So, even if you have a small amount to invest, worry not. We'll discuss three top TSX-listed Dividend Aristocrats that you can buy for just $100.

These Dividend Aristocrats offer good value and are among the best investment options to generate regular passive income.

Focus on consistency

Investors willing to start investing in equities could consider buying **Enbridge** (TSX:ENB)(NYSE:ENB) stock at current levels. The company has paid dividends for the last 65 years and offers a dividend yield of 8%. The company has regularly boosted shareholders' returns by hiking its annual dividends.

Enbridge's annual dividend has increased at a double-digit rate over the past 25 years, which is incredible. Its diversified revenue stream and continued strength in the core business are likely to generate robust distributable cash flows in the coming years and drive its future dividends.

Over the last 25 years, Enbridge has delivered an average annual total shareholder return of 15.8%, implying that a monthly investment of $100 in Enbridge stock for the past 25 years would now be worth $381,774.

Look for stability

Canadian Utilities (TSX:CU) is another top stock to participate in the equity market and generate steady dividend income. The company has raised its dividends for 48 years in a row, thanks to its high-quality earnings and robust cash flows.

Canadian Utilities derives most of its earnings from the regulated utility business, which supports its dividend payments. Its continued investment in the high-quality regulated assets suggests that its dividend could continue to increase in the coming years.

Canadian Utilities stock also looks attractive on the valuation front. It trades at a forward EV/EBITDA multiple of 10.7, which is lower than most of its peers and suggests further upside in its stock. Meanwhile, it offers a juicy dividend yield of 5.4%.

Rely on growth

Algonquin Power & Utilities (TSX:AQN)(NYSE:AQN) offers stability, income, and growth. The utility company has consistently outperformed the broader markets and delivered stellar growth over the past five years.

Its stock has appreciated by 152% in the last five years. Meanwhile, the company has uninterruptedly raised its dividends over the past decade. The company's resilient business and high-quality earnings base make it relatively immune to economic downturns.

Meanwhile, its sustained investments in regulated assets, accretive acquisitions, and expansion of renewable power business position it well to deliver strong returns and outperform the broader markets in the coming years. Also, it offers a healthy dividend yield of 4%.

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2. NYSE:ENB (Enbridge Inc.)
3. NYSE:FTS (Fortis Inc.)
4. TSX:AQN (Algonquin Power & Utilities Corp.)
5. TSX:CU (Canadian Utilities Limited)
6. TSX:ENB (Enbridge Inc.)

7. TSX:FTS (Fortis Inc.)

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