



4 Top TSX High-Yield Dividend Stocks to Buy for 2021

Description

Investors eyeing [steady income flow](#) amid a lower interest rate environment in 2021 could consider buying high-yield dividend stocks. We'll focus on four top TSX stocks that are offering a high yield. The payouts of these companies are very safe and sustainable in the long term.

Enbridge

With a stellar yield of 7.6%, **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) is a must-own stock for investors seeking stable income from equities. The pipeline giant has paid dividends for about 66 years and maintains a sustainable payout ratio of 60-70% of DCF (distributable cash flows). Further, Enbridge's dividends have grown at a CAGR (compound annual growth rate) of 10% since 1995.

Enbridge's dividends are safe and could continue to increase in the future, thanks to its diversified cash flows and contractual arrangements. Further, continued strength in its core business and expected improvement in mainline volumes are likely to support its distributable cash flows and drive dividends in 2021. Also, cost and productivity improvements and focus on utility rate base additions are likely to support its dividend payments.

Pembina Pipeline

Pembina Pipeline ([TSX:PPL](#))([NYSE:PBA](#)) has maintained and increased its dividend from 1998. Thanks to its diversified and contracted business, Pembina generates [high-quality earnings](#) and delivers robust fee-based cash flows that cover its dividend payouts.

Pembina's EBITDA and EPS have grown at a CAGR of 13.0% and 9.3% from 2009 to 2019. Meanwhile, Pembina raised its dividend per share at a CAGR of 4.2% during the same period. Pembina's highly contractual business is likely to generate strong fee-based adjusted EBITDA in the coming years that could continue to drive its dividends. Further, the expected improvement in energy demand in 2021 bodes well for its growth. The pipeline company pays monthly dividends and offers a high yield of 7.1%.

NorthWest Healthcare Properties

NorthWest Healthcare Properties REIT ([TSX:NWH.UN](#)) offers a high yield of 6.1%, which is safe and sustainable in the long run. The company's healthcare-focused real estate portfolio generates strong cash and remains resilient to the economic cycles. Moreover, its accretive acquisitions and deleveraging of the balance sheet augur well for growth.

Most of NorthWest's tenants have funding from public healthcare systems and governments. Meanwhile, its occupancy rates and lease expiry term remain high, which is encouraging. NorthWest Healthcare's resilient portfolio, geographic expansion, and strong M&A pipeline positions it well to continue to boost its investors' returns through consistent dividend payments.

TC Energy

TC Energy ([TSX:TRP](#))([NYSE:TRP](#)) stock should be part of your income portfolio with its high-quality earnings base. The company raised its dividends at a CAGR of 7% since 2000. Further, it remains on track to increase it at a single-digit rate in 2021 and beyond.

The company's assets are either regulated or are backed by long-term contracts that make it relatively immune to the volatility in the commodity prices and volumes. Further, its multi-billion-dollar secured growth program is expected to drive its earnings and cash flows and, in turn, its dividends. TC Energy pays quarterly dividends and offers a high yield of over 5.7%.

Final thoughts

These four Canadian companies have a resilient and diversified business that generates robust cash flows to support dividend payments. Despite the near-term challenges, investors could expect these companies to continue maintaining and growing their dividends in 2021 and beyond.

CATEGORY

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

TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)

2. NYSE:PBA (Pembina Pipeline Corporation)
3. NYSE:TRP (Tc Energy)
4. TSX:ENB (Enbridge Inc.)
5. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
6. TSX:PPL (Pembina Pipeline Corporation)
7. TSX:TRP (TC Energy Corporation)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

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

Date

2025/08/25

Date Created

2021/01/25

Author

snahata

default watermark

default watermark