



3 Top TSX Dividend Stocks to Buy Right Now!

Description

February 2021 is upon us!

For those looking for excellent income and value heading into February, there's good news. The TSX happens to be filled with a ton of great dividend stocks at dirt-cheap prices right now.

Accordingly, three of my top stocks for the second month of 2020 have to be **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)), **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)), and **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)). Here's why.

Fortis

Fortis is perhaps one of the best dividend-growth companies out there — this dividend-growth superstar has raised its dividend for 46 consecutive years, never missing a beat. Rising dividends means increased income in retirement, so for those investors who are approaching or in retirement, consider a stock like Fortis to add a nice income boost over the coming decades.

The company has incredibly stable cash flows over time due to the regulated nature of its core business. This is something that is very difficult to replicate, making Fortis a bulletproof option for long-term investors.

From a value perspective, Fortis does trade at a premium to its peers. Accordingly, I don't know that we can call this a true value stock. That said, Fortis is a company with one of the safest and best business models of its peer group, in my view. Additionally, this is a stock with a tremendous amount of long-term growth on the capital appreciation and dividend side. I think Fortis is perhaps the safest way to get double-digit annualized returns for decades right now.

Enbridge

Enbridge is a highly vertically integrated company with a very sizable dividend of 7.6% at the time of

writing. An energy transportation (or pipeline) company, Enbridge also has highly secure and reliable cash flows. This is perhaps my top pick for playing the energy sector in the safest way possible. I think the company's higher-than-market-average dividend is sustainable and see this as one of those rare opportunities for investors to lock in a very handsome yield for a long time.

Furthermore, I think we could be on the precipice of a bull market in commodities in the coming years. Fortis is a great way to play strength in the energy sector long term. This is one of the best, and safest, dividend stocks in this sector hands down.

Suncor Energy

If one believes a [bull market in commodities](#) could be on the horizon, Suncor Energy is a great pick. This is a company with very high leverage to commodity prices. Accordingly, this increases the risk profile of this stock but also increases the potential upside if oil prices continue to improve.

Additionally, Suncor is another excellent and safe income option for investors, relative to its peer group. Suncor stock currently has a dividend yield of 3.7%. I think this dividend is well covered and is likely to be maintained or grow over time, should commodity prices improve.

I think headwinds exist in the energy sector. Accordingly, this is not an investment for the faint of heart. I think only truly long-term investors who believe Suncor is the best out of its peer group and are really focused on income should own this stock. Suncor may lag the market in capital-appreciation terms, but its dividend is what I think deserves attention right now.

Bottom line

For conservative, long-term investors seeking income and safety and those looking to take advantage of historically low yields across the board that continue to drop, I would highly recommend taking a look at these three companies, all of which exist as quasi-bond proxies.

Stay Foolish, my friends.

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1. Dividend Stocks
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3. Investing

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TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. NYSE:FTS (Fortis Inc.)
3. NYSE:SU (Suncor Energy Inc.)
4. TSX:ENB (Enbridge Inc.)
5. TSX:FTS (Fortis Inc.)
6. TSX:SU (Suncor Energy Inc.)

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