



RRSP Pension: 3 Top TSX Stocks to Buy Today for Bond-Like Yields of +3.5%

Description

Investors with income needs and those looking for the best-quality dividend stocks on the TSX, listen up.

These three picks are some of the best historical dividend payers on the TSX. Additionally, I think each of these companies has solid long-term dividend and capital appreciation potential. Here are three companies with dividend yields higher than 3.5% that I think every investor should own as cornerstone holdings in an income-oriented portfolio.

Fortis

Currently providing investors with a dividend yield of 3.9%, **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) continues to be a top dividend pick of mine. Specifically, this is a stock I think investors should own for its dividend-growth potential. Historically, Fortis has raised its dividend each and every year for nearly five decades! Not five years; five decades. This has been one of the best dividend-growth stories out there, making Fortis one of the best Dividend Aristocrats on the TSX today.

Fortis's business model is one of the most defensive, making this a great way for investors to combat volatility. The company's regulated utilities business provides a stable and growing cash flow stream used to fund its increasing dividend and growth projects over time. I think investors looking for income growth over time with bond-like consistency ought to consider this stock first.

Algonquin Power

A company with an extremely strong growth thesis paying a dividend yield of 3.7% is **Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)). This company has been on my top picks list for some time, for many of the same reasons as Fortis. Algonquin has a strong base of regulated utilities cash flows that allow for dividend growth over time. However, one of the key differentiating factors with Algonquin is its growth profile.

Indeed, this is a solid growth play as far as utilities are concerned. The growth potential of Algonquin is centered on its renewable power-generating business. Given the investments Algonquin has made at good prices in the past, and its opportunities for further expansion in this space, there's a lot to like about the long-term potential of this bond-like dividend payer.

Restaurant Brands

Another defensive gem, **Restaurant Brands** ([TSX:QSR](#))([NYSE:QSR](#)) ought to be a top pick for every income investor right now. This stock pays investors a healthy dividend yield of 3.6%.

The company's core business model centres on three quick-service restaurant (fast-food) banners. These world-class subsidiaries include Tim Hortons, Burger King, and Popeyes Louisiana Kitchen. While Tim Hortons has been the struggling franchise of late, and an anchor on this stock price, I think there's a lot of room for optimism to buy this stock as a long-term holding.

I think coming out of the pandemic, this is a company that could post incredible numbers. Additionally, there's really no reason this growth company should have traded sideways for almost four years. I think growth investors with an income focus are getting a steal with this stock at these levels.

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1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:FTS (Fortis Inc.)
3. NYSE:QSR (Restaurant Brands International Inc.)
4. TSX:AQN (Algonquin Power & Utilities Corp.)
5. TSX:FTS (Fortis Inc.)
6. TSX:QSR (Restaurant Brands International Inc.)

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