



3 Top Canadian Dividend Stocks to Buy in 2021

Description

If you are looking for an investment that can provide a steady income stream, consider dividend stocks.

These stocks can assure investors with peace of mind, by creating a stable income stream regardless of market conditions. Dividends represent a share of a company's profits that are paid out to shareholders.

And while dividend stocks can provide reliable income, investors who do not need the money right away can reinvest dividends for an easy way to grow their portfolio. By automatically reinvesting all or a portion of their dividend proceeds, investors can accumulate more shares.

The **TSX** offers plenty of high-quality dividend stocks from which to choose. Here are three top choices to consider.

Telus

Vancouver-based **Telus Corporation** ([TSX:T](#))([NYSE:TU](#)) provides telecommunications services to approximately 16 million customers throughout Canada. The company's services include data and television services, information technology, and cloud-based services, as well as healthcare solutions and home and business smart-security solutions.

The company recently announced plans to raise over \$833 million in an IPO for one of its subsidiaries, Telus International. Started in 2005, Telus International provides IT services to global brands such as **Cisco Systems**, **Salesforce.com**, and Google Cloud. The shares will be listed on the **NYSE** and the **TSX** under the ticker symbol "TIXT." The company plans to offer 33.33 million shares in its IPO and has set a price range of between \$23 and \$25 per share.

As of this writing, shares of Telus are trading at \$26.39 with a dividend yield of 4.72%.

Fortis

There's a reason **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) is one of the most recommended dividend stocks on *The Motley Fool*: the company has [raised its dividend](#) for 47 consecutive years!

Shares of Fortis are trading at \$51.72 as of this writing. The company's dividend yield is a robust 3.91%.

This utility giant derives most of its earnings from regulated assets which provide consistent cash flow. Fortis operates as an electric and gas utility company in Canada, the United States, and the Caribbean.

The company remains committed to increasing its rate base growth and pursuing strategic acquisitions. Fortis has projected its dividends to grow at an average annual rate of 6% over the next five years.

TD Bank

Toronto-Dominion Bank ([TSX:TD](#))([NYSE:TD](#)) is the sixth largest bank in North America by branches. The bank serves over 26 million customers. TD also ranks among the world's leading online financial services firms, with more than 14 million active online and mobile customers and approximately \$1.7 trillion in assets.

The bank owns around [13.5% of San Francisco-based Charles Schwab](#), after Schwab's all-stock bid for TD Ameritrade successfully closed last fall. TD recently announced that it expects Schwab's fourth quarter earnings to translate into nearly \$170 million of reported equity in net income of an investment in Schwab for TD's first quarter of 2021.

As of this writing, shares of TD are trading at \$72.46 with a dividend yield of 4.36%.

TD has paid dividends for 164 straight years and has increased its dividends at an average annual rate of 11% since 1995.

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TICKERS GLOBAL

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2. NYSE:TD (The Toronto-Dominion Bank)
3. NYSE:TU (TELUS)
4. TSX:FTS (Fortis Inc.)
5. TSX:T (TELUS)
6. TSX:TD (The Toronto-Dominion Bank)

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