



Must Own! 2 Rallying Top Dividend Stocks to Buy in February 2021

Description

The broader market has started February on a strong note, as the **S&P/TSX Composite Index** has risen by 3.3% in the first three days of the month. Stocks are extending these gains today as well. At the time of writing, the Canadian market benchmark was up by 0.6% for the day. The recently released January month private payroll and service sector activity data in the United States pointed towards the gradually strengthening economy.

If this positive trend in the jobs data sustains along with rising business activity in the next couple of months, the stock market may see a big rally in 2021. That's why there couldn't be a better time to find fundamentally [great stocks](#) to invest in. Here are two amazing **TSX** stocks that you can buy today.

TC Energy stock

TC Energy ([TSX:TRP](#))([NYSE:TRP](#)) is one of the biggest North American energy infrastructure firm. It currently has a market cap of \$51.3 billion. The Calgary-based energy company has a big network of liquids and natural gas pipelines across North America.

The company recently faced a big setback after the recent political changes in America. On his first day in office, President Joe Biden revoked the Keystone XL pipeline project's presidential permit. The presidential permit was signed by former president Donald Trump in March 2019, which gave TC Energy the permission to construct, operate, and maintain energy pipelines at the U.S.-Canada international border.

While TC Energy expressed disappointment on this development, it remained focused on advancing its other big projects. The company [announced](#) that it's advancing other similar secured capital projects worth \$25 billion. This move will allow TRP to drive significant financial growth in the coming quarters. That's why it has promised to increase its annual dividends by 8-10% this year and by 5-7% thereafter.

TC Energy stock has risen by 5.6% in 2021 so far. The company will report its latest quarterly results on February 18. Analysts expect its 2020 adjusted net profit to cross the \$4 billion mark, despite the COVID-19-related challenges. These factors could start a long-term rally in its stock.

Enbridge stock

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) is another Canadian energy infrastructure company. Apart from natural gas distribution, it makes revenue from energy services and green power and transmission segments. Enbridge is larger than TC Energy — with a market cap of \$90.5 billion at the moment.

On January 29, Enbridge got a long-awaited critical regulatory approval to construct its Great Lakes Tunnel Project in Michigan. Notably, the company already makes more than half of its revenues from the U.S. market. This project will help Enbridge expand its business in the U.S. further.

In the last couple of quarters, Enbridge's net profits declined due to a weak energy demand amid the pandemic. However, the company is expected to report positive year-over-year growth in its profits in the fourth quarter. Moreover, its profit margins saw handsome expansion in the first three quarters of the last year, despite lower sales.

Enbridge will report its Q4 results next week on February 12. A continuation of its strong profitability in the fourth quarter could boost investors' confidence and drive a rally in its stock.

Final thoughts

Apart from their solid fundamentals and strong financial track record, TC Energy and Enbridge offer attractive annual dividends. While Enbridge's dividend yield is currently at 7.5%, TC Energy's yield is 5.9%. That's why these stocks are great for both long-term growth investors and income investors.

CATEGORY

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2. NYSE:TRP (Tc Energy)
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