



2 Heavyweight Dividend Stocks to Hold Forever

Description

Some analysts and economists are starting to sound a warning on the state of the markets in late February. The post-crash momentum from March 2020 has sustained for nearly a year at the time of this writing. Meanwhile, we have seen speculation run wild in the red-hot cryptocurrency space. Investors need to exercise extreme caution in this environment. Today, I want to look at two heavyweight dividend stocks that you can trust for the long term. Let's dive in.

This dividend stock is still worth holding in the face of headwinds

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) is the first heavyweight dividend stock I want to look at today. This stands as one of the largest stocks by market cap on the TSX. Back in November 2020, I'd explained why investors [can trust](#) Enbridge for the long haul. Shares of this dividend stock have climbed 9.4% in 2021 so far.

The top energy firm released its final batch of 2020 results on February 12. Full-year GAAP earnings came in at \$3.0 billion, or \$1.48 per share — down from \$5.3 billion, or \$2.64 per share, in the prior year. Adjusted EBITDA was flat in the year-over-year period, coming in at \$13.3 billion. Meanwhile, distributable cash flow (DCF) rose to \$9.4 billion compared to \$9.2 billion in the prior year.

Shares of this dividend stock last had a price-to-earnings ratio of 30 and a price-to-book (P/B) value of 1.6. This puts Enbridge in favourable value territory relative to its industry peers. Moreover, Enbridge offers a quarterly dividend of \$0.835 per share. That represents a tasty 7.6% yield. This is a top dividend stock that you can trust in an overheated market.

One more dividend heavyweight to snag today

Suncor ([TSX:SU](#))([NYSE:SU](#)) is another Canadian energy giant. This dividend stock also boasts one of the larger market caps on the TSX. Its shares have climbed 12% in 2021 so far. I'd suggested that

TFSA investors should [scoop up Suncor](#) earlier this month.

The company released its fourth-quarter and full-year 2020 results on February 3. Funds from operations came in at \$1.22 billion, or \$0.80 per share — up from \$1.16 billion, or \$0.76 per share, in the previous quarter. However, FFO were still more than halved from Q4 2019. Total upstream production was down marginally from the prior year. Meanwhile, synthetic crude oil production put in a solid increase.

Suncor faced huge challenges in 2020 in the face of the pandemic. Oil and gas prices were hammered due to plummeting demand. However, these prices have enjoyed a modest recovery in recent months. This is good news for this top dividend stock. Suncor is facing a new set of challenges, as the Biden administration has dealt some brutal blows to the Canadian energy sector.

Shares of Suncor last had a solid P/B value of one. Suncor last delivered a quarterly dividend of \$0.21 per share, which represents a 3.5% yield.

CATEGORY

1. Dividend Stocks
2. Investing

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2. NYSE:SU (Suncor Energy Inc.)
3. TSX:ENB (Enbridge Inc.)
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