



## The 3 Best TSX Dividend Stocks You Can Buy With \$100

### Description

Dividend stocks are a perfect source to generate regular passive income for a lifetime. Also, you don't require tons of money to start investing in top dividend-paying stocks. A small and regular investment in some of the best **TSX**-listed dividend stocks could help you accumulate a lot of wealth over time and could continue to generate steady income along the way.

Here are the three best TSX stocks that have the potential to consistently pay dividends over the next decade. Further, you can buy these three dividend stocks together for less than \$100.

### Algonquin Power & Utilities

Investors eyeing regular and a [growing passive income](#) stream could consider buying the shares of **Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)). The Canadian utility company has consistently paid and increased its dividends over the past decade. Notably, it has raised its dividends at a compound annual growth rate (CAGR) of 10% in the past 10 years. Further, it has announced a 10% hike in its dividends for 2021 and offers a decent yield of 4.0%.

Algonquin Power & Utilities' dividends are supported by its high-quality regulated utility assets that generate robust cash flows. Most of its power output is under a long-term power-purchase agreement, with an average life of about 13 years.

The company projects its rate base to increase at a CAGR of about 11% through 2025, which could drive its high-quality earnings base. Moreover, the company expects its EPS to increase by 8-10% annually through 2025, providing a solid base for dividend growth. Algonquin Power & Utilities' low-risk business, predictable cash flows, and multi-billion-dollar capital plan position it well to increase its dividends in the coming years.

### Enbridge

**Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) is a [top income stock](#) and should be a part of your passive income portfolio. It has consistently paid dividends for more than 66 years. Further, its dividends have grown at a CAGR of 10% in the last 26 years.

Despite significant challenges from the pandemic, Enbridge consistently paid dividends in 2020 and announced a 3% hike, reflecting the strength of its cash flows. Enbridge has over 40 diverse cash flows streams, and its business is backed by contractual arrangements that eliminate the risk of short-term volatility in volumes and pricing.

Enbridge expects its distributable cash flow per share to increase by 5-7% annually over the next three years, driven by a \$16 billion secured capital program, productivity improvements, and capacity optimization. Furthermore, it offers a high yield of 7.5%.

## AltaGas

With its balanced portfolio of low-risk utility assets and high-growth midstream operations, **AltaGas** ([TSX:ALA](#)) is another top stock for regular dividend income. The company's regulated utility assets provide stability and drive its dividend payouts. Notably, about 70% of its utility revenues are protected. At the same time, its midstream operations are backed by fee-for-service or take-or-pay contracts.

AltaGas's utility business is expected to benefit from rate base growth. Moreover, the addition and retention of customers, cost reduction initiatives, and accelerated replacement program are likely to drive the segment's growth.

AltaGas is also expected to benefit from the higher export volumes in its midstream operations. Meanwhile, its diversified operations and growing customer base are likely to support overall revenues and margins. AltaGas recently announced a 4% hike in its annual dividend and offers a high yield of 5%.

### CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Energy Stocks

### TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:ENB (Enbridge Inc.)
3. TSX:ALA (AltaGas Ltd.)
4. TSX:AQN (Algonquin Power & Utilities Corp.)
5. TSX:ENB (Enbridge Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn

4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

### **Category**

1. Coronavirus
2. Dividend Stocks
3. Energy Stocks

### **Date**

2025/08/23

### **Date Created**

2021/02/25

### **Author**

snahata

default watermark

default watermark