



3 Top TSX Stocks to Buy Today for Income

Description

The United States government just passed a \$1.9 trillion COVID-19 relief bill. This massive news is giving inflation expectations renewed momentum. Accordingly, interest rates (bond yields) have rebounded significantly in recent months.

What does all of this mean?

Well, some high-yielding dividend stocks are under pressure right now. Indeed, now could be the best time to buy these world-class companies on sale.

Here's why I think investors should avoid the inflation noise right now. For those eager to start buying some of the best stocks on the **TSX**, I've got three picks for long-term investors that are on sale right now as a result of recent events.

Cash in on the overblown inflation expectations

The House of Representatives recently passed their highly anticipated American Rescue Plan stimulus bill. This bill has been touted as the only way the government can help the lower and middle class in this time of need. Mass vaccinations need funding, and overloaded State governments are cheering this help right now. The U.S. will add nearly \$2 trillion in debt to boost its economic recovery.

This stimulus has created widespread fears the economy could run hot for some time coming out of this pandemic. However, I just don't see a scenario where the government allows bond yields to rise substantially from here. With deficits expected to continue to balloon, rising interest rates are a bad thing for heavy stimulus spending.

Accordingly, I think to a large degree these inflation expectations are blown out of proportion. Hence, the impulse to sell high-quality dividend stocks is a great buy-the-dip opportunity for investors.

Algonquin Power & Utilities Corp. ([TSX:AQN](#))([NYSE:AQN](#)): Headquartered in Oakville, Canada, this company's asset mix includes approximately 65% regulated utilities and 35% [renewables](#). This stock

comes with a dividend yield of 4% and has one of the most consistent growth companies in the utilities space since the Great Recession.

Brookfield Renewable Partners (TSX:BEP.U)([NYSE:BEP](#)): With a market capitalization of approximately \$20 billion, BEP is a significant player in the renewables space. Moreover, this company has earned a premium to its peers being one of the oldest in this space. Although the company yield is a mere 3%, I believe it's a strong buy as evidenced by the 50% share price appreciation we've witnessed over the past year.

Brookfield Infrastructure Partners (TSX:BIP.U)([NYSE:BIP](#)): Possessing a market capitalization of more than \$21 billion, this infrastructure giant owns diverse assets, such as pipelines and transportation assets across the world. The stock has a dividend yield of 4%, with dividend growth targets in the mid to high-single digits on the horizon.

Bottom line

Widespread inflationary fears have forced a recent sell-off in financial markets. Accordingly, I think now is a great time for patient long-term investors to add to existing positions. Indeed, I think these three income stocks are great long-term holdings, and as such, would certainly recommend such investors consider these companies on such a dip right now.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

POST TAG

1. dividend
2. dividend stock
3. energy
4. growth
5. growth stocks

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:BEP (Brookfield Renewable Partners L.P.)
3. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
4. TSX:AQN (Algonquin Power & Utilities Corp.)
5. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
6. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn

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

Category

1. Dividend Stocks
2. Energy Stocks
3. Investing

Tags

1. dividend
2. dividend stock
3. energy
4. growth
5. growth stocks

Date

2025/08/20

Date Created

2021/03/10

Author

chrismacdonald

default watermark

default watermark