



5 Top Canadian Dividend Stocks I'd Buy Under \$100 for 2021

Description

Dividend stocks generate a regular passive income stream that could continue to grow in the future. Besides, you don't require large upfront investments to start investing in dividend-paying stocks. I believe even a small but regular investment in top Canadian dividend stocks could help in generating a considerable amount of wealth in the long run. Moreover, you could benefit from continued dividend payments along the way.

Here are five top **TSX**-listed dividend stocks that could continue to boost shareholders' returns through higher payments over the coming years. Furthermore, shares of these dividend-paying companies are trading under \$100.

Scotiabank

Banking giant **Scotiabank** ([TSX:BNS](#))([NYSE:BNS](#)) is paying dividends since 1833. Besides, it has increased it at a compound annual growth rate (CAGR) of 6% for more than a decade. Scotiabank's solid dividend payments are backed by its well-diversified revenue sources and consistent earnings growth.

I believe the economic expansion would drive its loans and deposits in the coming quarters. Meanwhile, lower provisions and cost reduction measures are expected to support its earnings, in turn, its dividends. Scotiabank is also expected to benefit from its exposure to high-quality and high-growth markets. Currently, the bank offers a solid annual yield of 4.6%.

Enbridge

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) is a must-have stock in your dividend income portfolio. Its diverse revenue sources and contractual arrangements continue to generate strong distributable cash flow (DCF) per share, which drives its higher dividend payments.

In the past 26 years, Enbridge's dividend has grown at a CAGR of 10%. Meanwhile, the company foresees 5-7% growth in its DCF per share, implying that its future dividends could increase at a similar rate. An improvement in mainline volumes, \$16 billion secured capital program, and strength in its core

business lays a strong foundation for dividend growth in the future. Enbridge offers a [high yield of 7.4%](#).

Canadian Utilities

Utility giant **Canadian Utilities** ([TSX:CU](#)) has increased its dividends for 49 years in a row. Thanks to its high-quality earnings base and regulated assets, the company generates predictable and growing cash flows that support its payouts.

Canadian Utilities continues to invest billions of dollars in regulated and contracted assets, which provides a strong underpinning for earnings growth in the coming years. Meanwhile, productivity and cost-saving measures are expected to cushion its bottom-line, in turn, its dividend payments. Canadian Utilities offers a juicy yield of 5.6%.

Fortis

Fortis ([TSX:FTS](#))([NYSE:FTS](#)) raised its dividends for 47 consecutive years on the back of its rate-regulated utility assets that generate robust cash flows. The company projects its rate base to increase at a CAGR of about 6% over the next five years and reach \$40 billion. Notably, its growing rate base is expected to drive its future dividend payments.

Notably, Fortis expects its annual dividends to grow at a CAGR of 6% in the next five years. Meanwhile, opportunistic acquisitions and business reinvestments are likely to bolster its growth further. Fortis stock offers a decent yield of 3.9%.

TC Energy

TC Energy's ([TSX:TRP](#))([NYSE:TRP](#)) regulated and contracted assets have helped the company to increase its annual dividends for 21 consecutive years. Notably, its dividends have grown at an average annual rate of 7% during the same period.

Thanks to its low-risk business, resilient cash flows, and \$20 billion secured capital projects, TC Energy expects its annual dividends to increase by 5-7% in the future and offers [a yield of 6.0%](#).

CATEGORY

1. Bank Stocks
2. Coronavirus
3. Dividend Stocks
4. Energy Stocks

TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. NYSE:ENB (Enbridge Inc.)
3. NYSE:FTS (Fortis Inc.)
4. NYSE:TRP (Tc Energy)

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6. TSX:CU (Canadian Utilities Limited)
7. TSX:ENB (Enbridge Inc.)
8. TSX:FTS (Fortis Inc.)
9. TSX:TRP (TC Energy Corporation)

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