Got $1,000? The 4 Best TSX Dividend Stocks to Buy Right Now

Description

Investing in dividend stocks provides regular and growing passive income. Dividend-paying companies are mostly mature, fundamentally strong, and generate robust cash flows that support investment in future growth and drives shareholders' returns. So, if you $1,000, consider investing it in these four **TSX** -listed, dividend-paying stocks.

Canadian Utilities

Canadian Utilities (TSX:CU) is known for its robust dividend payments. The utility company generates high-quality earnings from its regulated and contracted assets that drive its dividends higher. It has consistently increased it in the past 49 years and offers a high yield of 5.2%.

Notably, Canadian Utilities continues to invest in the regulated and contracted assets, which is expected to enhance its high-quality earnings base and drive future dividend payments. Meanwhile, a focus on cost reduction augurs well for earnings and dividend growth. Also, as the company generates most of its earnings from the regulated utility assets, its payout ratio is sustainable in the long run.

TC Energy

TC Energy (TSX:TRP)(NYSE:TRP) generates predictable and growing cash flows from the energy infrastructure assets that are either regulated or contracted, implying that its dividend could continue to increase in the future. Notably, the company has paid and raised its dividends in the past 21 years. Moreover, its dividends have grown at a CAGR of about 7% during the same period.

TC Energy projects 5-7% growth in its future dividends on the back of a multi-billion-dollar secured capital program, high-quality asset base, and strong developmental pipeline. Moreover, its annual dividend of $3.48 reflects a high yield of 6.1%.

Fortis

Fortis (TSX:FTS)(NYSE:FTS) is among the top TSX-listed dividend stocks and is a must-have for income investors. The company has consistently boosted its shareholders' returns by increasing its dividends for 47 years in a row. Moreover, it expects to increase its annual dividends by about 6% over the next five years.

Fortis's regulated assets generate robust cash flows. Meanwhile, the company projects its rate base to increase by about $10 billion through 2025, which is expected to expand its high-quality earnings base, drive cash flows, and support higher dividend payments. Fortis's annual dividend of $2.02 a share reflects a yield of 3.8%.

Enbridge

Enbridge (TSX:ENB)(NYSE:ENB) stock should be a part of your portfolio to generate a growing dividend income. The company generates robust cash flows from its diversified energy infrastructure assets that support its higher dividend payments. Enbridge is paying dividends for a very long period and has increased it by about 10% in the last 26 years.

Enbridge offers a high yield of 7.3% yield, which is safe. Meanwhile, its payouts are sustainable in the long run. Notably, Enbridge expects its mainline volumes to improve on the back of a recovery in energy demand. Further, continued momentum in its core business and the strong secured capital program is expected to drive its distributable cash flows and, in turn, its future dividends.

The company expects an annual increase of 5-7% in its distributable cash flow per share over the next three years, implying that Enbridge could continue to hike its annual dividends at a similar pace during the same period.

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2. NYSE:FTS (Fortis Inc.)
3. NYSE:TRP (Tc Energy)
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5. TSX:ENB (Enbridge Inc.)
6. TSX:FTS (Fortis Inc.)
7. TSX:TRP (TC Energy Corporation)

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