



Dividend Kings: 2 TSX Names to Watch

Description

Investors on the hunt for passive income often look first to **TSX** [dividend kings](#). As well, investors looking for compounded growth over time can benefit from holding these stocks.

Fortunately, the TSX is packed with high quality dividend-paying stocks. As such, investors need to comb through the options to find the right fit.

However, most of these names share a few key characteristics. They have diverse streams of revenue, reliable dividends, and avenues for growth moving forward.

A stock missing those ingredients will struggle to match up to a TSX dividend king over time. So, investors should be keeping an eye on stocks that can fit the mould for them.

Today, we'll look at two such TSX giants with attractive dividends.

RBC

Royal Bank of Canada ([TSX:RY](#))([NYSE:RY](#)) is the largest Canadian bank by market cap. It's a true mammoth of a dividend king, as it's provided a dividend every year since 1870.

Moreover, it has increased its dividend for the vast majority of that time. This allows it to continue delivering value to investors as time goes on.

RY and its dividend were hardly phased despite a turbulent 2020 for broader markets. This dividend king proved it will continue its commitment to delivering a stable dividend to investors no matter the conditions.

With a wide moat of revenue sources, RY is also a stable blue-chip option for long-term investors. It combines stability and decent growth prospects to offer a solid value proposition to investors.

As of this writing, it's trading at \$116.73 and yielding 3.7% — in line with its recent historical yields.

So, while this isn't an amazing deal by any stretch, it's about par for the course. When you're talking about a prominent dividend king like RY, you could still do a lot worse.

Especially over the long run, investors should worry little about their precise entry point. What matters most is getting into the market and raking in those juicy dividends.

Telus

Telus ([TSX:T](#))([NYSE:TU](#)) is a massive Canadian telecommunications company. It provides most of those services to Canadians through its subsidiary, Telus Communications.

Given that Telus' services are rather non-cyclical in nature, it's a pretty dependable dividend king. It offers steady and reliable dividend growth at a reasonable price for Canadian investors.

Plus, its Telus Health division has taken some major strides recently and could be a key driver for growth looking forward. A full rollout of [5G](#) networks for mobile services could also be a boon for demand for Telus' services.

As of this writing, this dividend king is trading at \$25.25 and yielding 4.93%. That makes for a pretty attractive proposition for long-term investors.

Investors looking for a stock that checks all those boxes when it comes to dividend investing should be intrigued with Telus. It combines reliability with growth potential to provide value to investors.

Dividend king strategy

Of course, there are many other great options when it comes to dividend investing with TSX stocks. However, these two names are ideal candidates because they offer great total return potential over the long haul.

If you're going to have some dividend kings on your radar, be sure these two names are in the mix.

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2. NYSE:TU (TELUS)
3. TSX:RY (Royal Bank of Canada)
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