



## 2 Dividend Stocks I'd Buy Over Enbridge (TSX:ENB)

### Description

**Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) is a [great Canadian dividend stock](#) with one of the most shareholder-friendly management teams out there. But it's not the only game in town. Betting on the pipeline kings at these depths can be profoundly rewarding, but there are [risks](#). For many of today's younger investors, like millennials, there are high-yielding bargains to be had without having to bet on the ailing energy sector. Now, I have nothing against the energy patch or the pipeline kings. I think Enbridge is a great buy for its juicy 7.3%-yielding dividend.

### Enbridge isn't the only high-yield dividend stock in town!

Heck, I think Alberta's ailing oil patch holds some of the deepest value in today's market. Warren Buffett didn't place a sizeable bet on oil kingpin **Chevron** for no reason. The dividends are swollen, many of them are well-covered by operating cash flows, and the value to be had is sizeable. Regardless, fossil fuel plays are not everybody's cup of tea. Some pundits out there, including *Mad Money's* Jim Cramer, aren't big fans of fossil fuel plays, despite their sizeable yields or their compelling value propositions.

In this piece, we'll have a closer look at non-energy dividend stocks that can help you fund your passive-income stream without having to dip into the wildly volatile energy patch. Without further ado, consider beaten-down retail REIT **SmartCentres REIT** ([TSX:SRU.UN](#)) and rising renewable energy star **Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)), which currently sport yields of 6.9% and 4%, respectively.

### SmartCentres REIT

The death of the shopping mall thesis is likely still widely subscribed to by many investors. There's no denying the profound strength in e-commerce over the past few years, and the coronavirus pandemic has only reinforced and strengthened this thesis. That has many investors shunning the retail REITs. Many are passing up on deep value in the stronger retail REITs, despite the economic reopening.

Sure, e-commerce isn't about to slow down anytime soon, and the pandemic has accelerated the shift towards online sales. That said, I think it makes a tonne of sense to bet on some of the stronger retail REITs out there. The ones like SmartCentres REIT, which has near normalized rent-collection rates and a colossal dividend payout that's supported by healthy adjusted funds from operations.

SmartCentres REIT's greatest strength is its **Walmart** anchor. If you believe that the future lies both on and offline, Smart is a brilliant reopening play to bet on here. Not only does SmartCentres have the Walmart advantage, but it's well on its way to diversifying itself into mixed-use properties, which could call for a drastic re-valuation to the upside over the next few years.

Retail REITs may stink, but SmartCentres is the best of its breed. And there's no denying its cash flows.

## Algonquin Power & Utilities

Algonquin Power is a great dividend-growth stock that recently took a major tumble. Fresh off a 15% correction, I think long-term income investors ought to scoop up shares before they have a chance to make up for lost time going into year's end. The renewable energy and utility company has an impressive dividend-growth track record. While COVID-19's impact has taken its toll on Algonquin, I think the firm will be quick to make up for lost time on the other side of this pandemic.

The stock trades at a mere 11.4 times trailing earnings and with above-average annualized dividend-growth expectations; I think now is as good a time as any to buy the name, while its yield is slightly swollen. Sure, Algonquin's 4% yield pales in comparison to Enbridge's 7.3% yield, but if you'd rather be on the right side of a secular trend (move towards green energy) rather than on the wrong side of it, Algonquin is the superior long-term bet.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Stocks for Beginners

### TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:ENB (Enbridge Inc.)
3. TSX:AQN (Algonquin Power & Utilities Corp.)
4. TSX:ENB (Enbridge Inc.)
5. TSX:SRU.UN (SmartCentres Real Estate Investment Trust)

### 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
4. Stocks for Beginners

### Date

2025/08/20

### Date Created

2021/03/31

### Author

joefrenette

default watermark

default watermark