



5 of the Best TSX Dividend Stocks to Buy Under \$100

Description

It's advisable to buy and hold some of the top dividend-paying **TSX** stocks in your portfolio for a regular income, even when the volatility in the market remains elevated. Let's focus on five such top dividend stocks that are likely to continue to boost shareholders' returns through higher dividend payments. Further, these top dividend stocks are trading under \$100.

Scotiabank

Scotiabank ([TSX:BNS](#))([NYSE:BNS](#)) has consistently paid dividends since 1833. Furthermore, the bank's dividends have grown at a CAGR of 6% over the past decade. Its robust dividend payments are backed by its high-quality earnings base and its exposure to high-growth banking markets.

I believe the economic expansion, decline in provisions, and uptick loans and deposit volumes are likely to drive significant earnings growth. Meanwhile, its focus on expense management is expected to cushion earnings and support its future dividend payments. Besides offering solid dividends, Scotiabank is trading at a [significant discount to peers](#), making it attractive at the current levels. Scotiabank currently offers a decent yield of 4.6%.

Enbridge

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) has consistently increased its dividends by about 10% in the last 26 years. Moreover, it has paid dividends for nearly 66 years, thanks to its diversified cash flow streams and strength in its core business.

I believe Enbridge remains well positioned to continue to increase its future dividends, reflecting the revival in energy demand. The recovery in its mainline volumes, about 40 diverse sources of cash flows, secured capital program, and continued momentum in core business makes me bullish on Enbridge stock. The energy infrastructure company is currently yielding about 7.2%, while its payout ratio is sustainable in the long term.

Canadian Utilities

Speaking of dividends, shares of **Canadian Utilities** ([TSX:CU](#)) are a must-have in your portfolio. The utility company is well known for its dividend payments and has increased it for 49 consecutive years. Its stellar dividend payment history reflects the strength of its earnings and cash flows.

Notably, Canadian Utilities generates its earnings from the regulated and contracted assets, implying that its dividends are safe. Meanwhile, its continued investments in the regulated assets and cost-reduction measures are likely to drive its high-quality earnings base and, in turn, its dividends. The company currently offers a safe and high yield of 5.2%.

Fortis

Fortis ([TSX:FTS](#))([NYSE:FTS](#)) has paid and increased its dividends in the last 47 years in a row. The utility company projects a 6% growth in its annual dividends in the coming five years. Notably, Fortis's robust dividend payments are supported through its regulated and diversified assets that generate predictable cash flows.

The company's rate base is projected to increase by \$10 billion in the next five years, which is likely to enhance its high-quality earnings base and dividend payments. Meanwhile, expansion and diversification opportunities augur well for future growth. Fortis offers a dividend yield of 3.7%.

Pembina Pipeline

Pembina Pipeline ([TSX:PPL](#))([NYSE:PBA](#)) has consistently boosted its investors' returns through higher dividend payments. Notably, it has paid dividends since 1997. Also, its dividends have increased by a CAGR of about 4.9% in the last 10 years. At current price levels, Pembina offers a [stellar yield](#) of 6.9%.

Pembina's highly contracted and diversified business, recovery in demand, expected increase in volumes and pricing, and strong backlog suggests that the company could continue to hike its future dividends at a decent pace. At current price levels, Pembina Pipeline stock trades at a discount compared to peers.

CATEGORY

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

TICKERS GLOBAL

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

4. NYSE:PBA (Pembina Pipeline Corporation)
5. TSX:BNS (Bank Of Nova Scotia)
6. TSX:CU (Canadian Utilities Limited)
7. TSX:ENB (Enbridge Inc.)
8. TSX:FTS (Fortis Inc.)
9. TSX:PPL (Pembina Pipeline Corporation)

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