Canadian Investors: 3 TSX Dividend Stocks to Buy With $1,000

Description

If you've got an extra $1,000 to put to work, now is as good a time as any for Canadian investors to scoop up some of the great **TSX** dividend stocks that still exist in today's frothy market. Although the stock market may be a tad overstretched, don't let anybody tell you that there isn't value to be had out there. I think we're in a stock pickers market right now, and the following names ought to be at or around the top of your shopping list this April.

Enbridge

Enbridge (TSX:ENB)(NYSE:ENB) is a dividend darling that many Canadian investors were too quick to give up on. The stock imploded last year but has been steadily climbing back ever since **Pfizer** unveiled its initial COVID-19 vaccine. Now, Enbridge stock will remain choppy, but the dividend, I believe, makes the roller coaster ride of a stock worth hanging onto, as industry headwinds gradually look to fade.

The management team is standing by their dividend despite the pressures. With the dividend stock still off 18% from its 2020 high, I think Canadian investors would be very wise to start a position before the pipeline kingpin has a chance to recover and its yield a chance to compress to normalized levels. The dividend payout may be stretched, but it's not about to be cut anytime soon, even if the post-pandemic recovery trajectory proves to be modest in nature.

TC Energy

Sticking with the pipeline theme, we have **TC Energy** (TSX:TRP)(NYSE:TRP), currently down 23% from its 2020 high, with a 5.9% dividend yield. While TC Energy's Keystone hopes have been crushed, the firm still has many growth projects in the pipeline (forgive the pun) that can fuel ample growth over the coming years. Most notably, the firm's growth projects in Mexico could pay major dividends as natural gas demand remains robust.

TC Energy's dividend isn't just handsome: it's poised to grow at a 5-7% annual rate moving forward, making the diversified pipeline play more than worthy holding onto for years at a time. The dividend stock trades at a mere 2.0 times book and 4.4 times sales, which is far too low given the calibre of cash-flow-generative business Canadian investors will be getting. Should the EV and green energy bubble burst, I suspect old-energy fossil fuel plays will have another breath of life. In such a scenario, Enbridge and TC Energy will surely lead the upward charge.

North West Company

North West Company (TSX:NWC) is an outstanding Canadian retailer that you've probably never heard of unless you live in a remote location in northwestern Canada (hence the name North West Company).

Essentially, the grocery and retail firm serves underserved communities. Think places like Alaska and the northern territories. Places that wouldn't be as profitable for the major retailers to expand in. For that reason, I view North West as having one of the wider moats out there. The firm found its niche, and it's building a moat around it. As such, I find North West will be among the last to feel the pain from disruptive forces like **Amazon.com**.

Shares of the retailer have been picking up traction of late, now up 96% from its March 2020 lows. Yet, the dividend stock remains ridiculously cheap at 13 times trailing earnings. With a 3.9% yield, North West is a great low-cost way for Canadian investors to get a secure, growing dividend.

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2. NYSE:TRP (Tc Energy)
3. TSX:ENB (Enbridge Inc.)
4. TSX:NWC (The North West Company Inc.)
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