4 Top Canadian Dividend Stocks to Buy Under $50

Description

The rising COVID-19 infections and fresh lockdowns in some parts of the world have stoked fears about global economic recovery, dragging the **S&P/TSX Composite Index** down over the last two trading days. Further, investors are also cautious ahead of corporate earnings. Amid rising uncertainty, investors can buy the following four high-yielding dividend stocks to earn steady passive income and stabilize their portfolios.

Enbridge

Enbridge (TSX:ENB)(NYSE:ENB), which generates around 98% of its adjusted EBITDA from regulated assets or take-or-pay contracts, is my first pick. Supported by its steady cash flows, the company has raised its dividends for 26 straight years at a CAGR of 10%. This year, the company's management has announced quarterly dividends of $0.835 per share, representing a forward dividend yield of 7.2%.

Meanwhile, Enbridge is progressing with its $16 billion secured growth projects, with around $10 billion worth of projects to be put into service this year. These investments, along with recovery in oil demand amid improvement in economic activities, could boost the company's financials and stock price. Given its liquidity of approximately $13 billion at the end of its December-ending quarter and excellent track record, I believe Enbridge's dividends are safe.

Pembina Pipeline

My second pick would be **Pembina Pipeline** (TSX:PPL)(NYSE:PBA), which has delivered an impressive performance over the previous 10 years, with its adjusted EBITDA per share growing at an annualized rate of 12.2%. Meanwhile, the company earns over 90% of its adjusted EBITDA from fee-based or take-to-pay contracts, delivering stability to its earnings and cash flows.

Amid its stable cash flows, the company has raised its dividend at a CAGR of 4.9% over the last 10 years. Currently, it pays a monthly dividend of $0.21 per share, representing a forward dividend yield of

6.8%. At the end of 2020, the company's liquidity stood at $3.2 billion. So, its financial position looks healthy. Meanwhile, the company plans to make a capital investment of approximately $785 million this year. These investments, along with higher oil prices, could drive the company's financials and stock price higher. So, I believe Pembina Pipeline is an excellent buy for income-seeking investors.

NorthWest Healthcare

NorthWest Healthcare Properties REIT (TSX:NWH.UN) acquires and manages healthcare properties. Due to its highly diversified and defensive portfolio, its occupancy and collection rates are on the higher side. Meanwhile, many of its tenants have signed long-term contracts, which lowers vacancies and provides stability to its earnings.

Further, around 80% of its tenants receive government support, and 73% of its rent is inflation-indexed, which is encouraging. The company is also working on acquiring new properties in Europe and Australia. Further, it has raised over $200 million through new equity offerings to lower its debt levels and support its future acquisitions. Given its steady cash flows and healthy growth prospects, I believe NorthWest Healthcare is well positioned to continue paying its dividends. It pays monthly dividends, with its forward dividend yield currently standing at 6.1%.

Telus

My final pick would be **Telus** (TSX:T)(NYSE:TU). Despite the pandemic, the company's growth has continued, with the addition of 253,000 new connections in the December-ending quarter alone. Amid increased digitization and remote working and learnings, the demand for telecommunication services could rise in the coming years.

Meanwhile, the company is investing in expanding its TELUS PureFibre network and 5G coverage to meet the growing demand. These investments, along with the expansion of its telehealthcare service, could boost its financials and stock price. Meanwhile, the company's management expects its revenue and adjusted EBITDA to grow at high single digits this year while generating $1.5 billion of free cash flows. So, the company's dividends are safe. Currently, it pays quarterly dividends of $0.3112 per share, with its forward yield currently standing at 4.8%.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. NYSE:PBA (Pembina Pipeline Corporation)
3. NYSE:TU (TELUS)
4. TSX:ENB (Enbridge Inc.)
5. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
6. TSX:PPL (Pembina Pipeline Corporation)

7. TSX:T (TELUS)

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