



These 2 Top Canadian Dividend Stocks Just Went on Sale!

Description

As the stock market continues its ascent to new heights, some pundits have been ringing the [alarm bell](#), calling for a correction in the range of 10-30%. Before you take a raincheck on the top Canadian dividend stocks that exist today, though, it's important to remember that nobody can time the markets — not even the strategists at top banks can do this, although I'm sure they'd claim otherwise.

We've been hearing people calling for a correction for the entirety of this rally, ever since it climbed off those March 2020 lows. While we will be hit with a correction eventually, it's probably unwise to time it and postpone your purchases, especially if you've got more than enough cash on the sidelines to take advantage of [dips](#).

Don't time the markets: Buy cheap dividend stocks, because they won't stay cheap forever

Inflation is coming, and so too could be higher rates. Regardless, I think investors should swing at the pitches thrown into their strike zones, regardless of what the correction calls you're likely to hear anytime the market hits a new all-time high.

The following Canadian dividend stocks, I believe, are on sale now and are ripe for picking for investors looking to invest for the long term, not time the markets over the near term.

Enbridge

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) is a 7.3%-yielding Canadian dividend stock that's about as cheap as they come these days. The pipeline kingpin has endured more than its fair share of headwinds over the past year. With the pandemic's end in sight, things may finally be looking up after years of falling under the weight of industry pressures.

The Canadian midstream energy firm has a well-supported dividend that's likely to continue growing at

an above-average rate over the next five years, as Enbridge's project pipeline gradually pays dividends over time. The stock trades at 1.7 times book value, 2.4 times sales, which is well below that of the industry average.

Should oil prices surge above US\$70 going into a rising-rate environment, Enbridge could be capable of big gains, as income investors flocked to rate-insensitive stocks.

TD Bank

Speaking of a rising-rate environment, **TD Bank** ([TSX:TD](#))([NYSE:TD](#)) could be on the cusp of a massive bull run. For years, the big banks have been putting up with thinning net interest margins and provisions for credit losses. In the post-COVID world, the tables will likely turn in a big way, and the big banks will finally have tailwinds to their back.

As one of the most prudent managers out there, TD Bank is a must-own dividend stock for the long term, regardless of the environment. Looking ahead, TD has its sights set on a major U.S. acquisition, which could bolster its American retail segment. Given TD's managers are effective risk managers and deal makers, I suspect the next acquisition will unlock considerable shareholder value.

For now, TD stock boasts an impressive 3.8% yield, which ought to be more than enough incentive to hold the stock through the latter stages of this horrific pandemic. I think that investors have their sights set on the post-pandemic world, which, I think, appears tilted heavily in favour of TD and the big banks.

CATEGORY

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2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:ENB (Enbridge Inc.)
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