



Dividend Stocks: 4 Top Picks to Buy Now Yielding Over 6%

Description

With most stocks having recovered from the pandemic, the easy short-term capital gains are gone. This makes it a lot more difficult to figure out whether dividend stocks — growth or value — are the best to buy now.

Investors have to get back into the long-term mindset that they need to have most of the time when the majority of stocks are trading at or near fair value.

It's a lot easier to pick winners when the whole market is trading at a discount after a [pullback](#).

With most stocks back to around fair value, it's about buying the best stocks to own for the long term. And a lot of these high-quality long-term stocks worth an investment today will be dividend stocks.

Here are four of the best Canadian dividend stocks yielding at least 6%.

A top Canadian royalty stock

Some of the best stocks for [dividend investors](#) are royalty companies that aim to pay out most or all of their earnings. That's why **Pizza Pizza Royalty** ([TSX:PZA](#)) is a top stock for Canadians today.

The company collects a royalty on the sales from each of its more than 700 restaurants across Canada. Because it takes a royalty on sales, the income the fund receives is generally consistent.

This makes the stock ideal for dividend investors, because you can expect to receive a strong stream of passive income monthly.

Even during the pandemic, Pizza Pizza's sales were impacted by 25% at most — much less than its peers.

So, with the stock yielding 6.1% today, and with the potential for another dividend increase as the economy continues to recover, it's one of the top dividend stocks to buy today.

A top Canadian telecom stock to buy now

Another high-quality Canadian stock for passive-income seekers is **BCE** ([TSX:BCE](#))([NYSE:BCE](#)), the massive blue-chip [telecom stock](#).

BCE is an ideal investment for several reasons. Firstly, blue-chip stocks are highly robust and great businesses to own long term. BCE is also a massive cash cow, earning tonnes of cash flow every quarter.

This allows the stock to pay an impressive dividend to investors that is increased annually. However, it also allows BCE to invest a tonne of money in growth. Those investments will be key, as [5G technology](#) is being rolled out.

So, if you're looking for a high-quality dividend stock that's safe and offers a tonne of long-term growth potential, BCE is one of the best Canadian stocks to buy now.

A top real estate stock for dividend investors

Another business with highly robust income and, therefore, a top dividend stock to own is **Northwest Healthcare Properties REIT** ([TSX:NWH.UN](#)).

Northwest predominantly owns hospitals and medical office buildings in several countries around the world. This diversification is crucial, especially because 85% of its income is funded either directly or indirectly by governments.

So, the geographic diversification and high degree of income coming from the government is crucial to Northwest's resiliency. That's part of the reason why it's fared so well during the pandemic over the last year. Plus, with tonnes of pent-up demand for non essential medical treatments, Northwest looks to be in great shape.

Today, the stock pays a monthly dividend that yields 6.1%, making it one of the top Canadian dividend stocks to buy now.

An attractive pipeline dividend stock to buy now

Lastly, a high-quality stock that's trading decently cheap and offering an attractive dividend for investors today is **Pembina Pipeline** ([TSX:PPL](#))([NYSE:PBA](#)).

Pembina is primarily a pipeline stock in the energy industry. The company has a diversified portfolio of businesses, however, which helps to give it some resiliency. Although the company has been impacted slightly due to the effects the pandemic has had on the energy industry, Pembina has held strong.

Its stock, however, is still relatively cheap for investors and offers upside over the next year, as commodity prices and the energy industry recover.

And because of its resilient operations, the stock has been able to keep its dividend intact, even during the pandemic.

So, with Pembina offering a more than 6.6% dividend yield as well as upside potential over the next few years, it's one of the top dividend stocks to buy today.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:PBA (Pembina Pipeline Corporation)
3. TSX:BCE (BCE Inc.)
4. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
5. TSX:PPL (Pembina Pipeline Corporation)
6. TSX:PZA (Pizza Pizza Royalty Corp.)

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