



The 3 Best Dividend Stocks for Unlimited Passive Income

Description

The best dividend stocks that you can find don't necessarily have to do with dividend yield. Instead, investors should find stocks that offer higher passive income with a lower share price. On top of that, investors should look to strong industries that can support both payouts and dividend increases. In the case of these three stocks, you're all set.

Banking on the best dividend stocks

One of the best dividend stocks out there is **Canadian Imperial Bank of Commerce** ([TSX:CM](#))([NYSE:CM](#)). The stock may be higher in share price, but it offers a whopping \$5.84 per share per year. None of the other banks come even close. And no matter what happens to your share price, that dividend continues to be paid out.

Luckily, CIBC stock rebounded quickly after the last crash. It's also been supported by increased loan repayments and a focus on its online platform. As of writing, the stock has hit all-time highs, up 67% in the last year alone! This comes from the company reporting what was likely the biggest post-COVID earnings jump among the banks. This included a 34% year- over-year increase in net income and a 35% increase in diluted EPS.

CIBC stock has been around for decades, paying out dividends that entire time. Its dividend yield has increased at a compound annual growth rate (CAGR) of 5.3% in that time. So if you were to invest \$10,000 in CIBC stock today, you would bring in about \$450 per year.

Best telecom dividend stock

Again, if you're looking purely at share price or even dividend yield then you may not get the best deal on the best dividend stocks. That's why I would consider looking at **BCE** ([TSX:BCE](#))([NYSE:BCE](#)). The company is the **largest** of the top three telecommunication companies in Canada. Over 60% of the population use its services, and it offers the highest dividend based on price at \$3.50 per share per year.

Investors are looking forward to this company's rise to more glory. It's announced a major rollout of its 5G and fibre networks. This should bring in immense revenue similar to what we've seen with its peers. Given that it's the largest, that revenue should be substantial. All that will continue to support dividend growth.

Right now you can pick up one of the best dividend stocks out there for about \$58. That's a deal given that the company has almost reached all-time highs. Meanwhile, you can lock in its 5.93% dividend yield that's seen a CAGR of 6.43% during the last decade. A \$10,000 investment would bring in about \$600 at today's prices.

Give dividends some gas

If you're looking for both growth and dividend frequency, then **Pembina Pipeline** ([TSX:PPL](#))([NYSE:PBA](#)) is your best bet. The company is set to explode with the rebound in oil and gas prices. This comes from providing the solution to the oil and gas glut in Western Canada. And on top of that, it has a number of growth projects set to come online.

But what investors should *really* look forward to is the company's monthly dividend yield. Its long-term contracts have supported dividend growth for years. Shares are up 25% in the last year and climbing back to all-time highs, with its dividend growing at a CAGR of 4.91% during the last decade. Investors may indeed see a boost in dividends yet again as post-pandemic we see more commuter and air travel.

This is one of the best [dividend](#) stocks because of all this promising growth. Investors can pick up this stock for \$38 today and lock in a 6.58% dividend yield. That would bring in \$663 per year from a \$10,000 investment.

CATEGORY

1. Dividend Stocks
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TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:CM (Canadian Imperial Bank of Commerce)
3. NYSE:PBA (Pembina Pipeline Corporation)
4. TSX:BCE (BCE Inc.)
5. TSX:CM (Canadian Imperial Bank of Commerce)
6. TSX:PPL (Pembina Pipeline Corporation)

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