



Canadian Investors: Put Your Cash to Work and Earn \$100 Monthly in Dividends

Description

Are you short of excellent investment opportunities, as markets loiter around all-time highs? Well, you are not alone! Many small investors and prominent hedge fund managers are currently sitting on a large cash pile, as they think markets are overvalued. The legendary investor [Warren Buffett](#) is also one of them. His investing conglomerate **Berkshire Hathaway** is sitting on more than US\$145 billion in cash.

Are you sitting on extra cash?

If you are also sitting on a big pile of cash, consider investing in stable, dividend-paying stocks for the long term. Many Canadian households turned extra conservative amid the pandemic and saved more than what they might need in case of emergencies. However, storing cash may not be the best solution here. It loses value with inflation and does not earn any returns.

Instead, putting a portion of this emergency cash into dividend stocks will start a passive-income stream, and your capital will be relatively safe.

Now, some might debate that cash will not deplete in value, but stocks might. What if I need the money in, say, six months from now, and my investment loses a significant value by then?

That's a valid point, as stocks come with the inherent risk of volatility. However, if you only invest a portion of your cash for a reasonably long term, this risk gets effectively minimized.

What are the best stocks to buy right now?

Consider a top telecom stock **BCE** ([TSX:BCE](#))([NYSE:BCE](#)). It yields a juicy 6% at the moment, notably higher than TSX stocks at large. It will pay a total dividend of \$3.50 per share in 2021. Dividends generally increase as the company increases its profits.

BCE has a long dividend payment history, and one can expect consistently growing dividends from it

for years to come. That's mainly because its low-risk telecom operations provide earnings stability and visibility. BCE increased dividends last year as well when the pandemic ravaged many businesses and forced companies to suspend their [dividends](#).

Notably, this seems to be the apt time to bet on telecom stocks like BCE. The 5G revolution will likely accelerate BCE's earnings growth in the next few years. Its decent capital gains prospects and juicy dividend yield make it an attractive investment proposition for long-term investors.

Consider investing part of your cash in the best Canadian stocks

Top midstream energy giant **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) is another stable dividend stock for income-seeking investors. It offers an even higher yield of more than 7%. It has raised dividends for the last 26 consecutive years, driven by its low-risk operations and stable earnings.

Enbridge is an energy pipeline company whose earnings are relatively less susceptible to volatile oil and gas prices.

Bottom line

These two are some of the best dividend stocks in Canada. They have created decent shareholder returns, mainly with their stable dividends, for decades.

If you invest \$2,000 equally in BCE and ENB stocks, they will generate \$130 in dividends per year. Their slow stock price movements and lower correlation with broader markets make them a relatively safe bet for conservative investors.

CATEGORY

1. Coronavirus
2. Dividend Stocks
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POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:ENB (Enbridge Inc.)
3. TSX:BCE (BCE Inc.)
4. TSX:ENB (Enbridge Inc.)

PARTNER-FEEDS

1. Business Insider
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