3 Top Under-$100 Dividend Stocks Other Than Enbridge to Buy Now

Description

I have said that **Enbridge** (TSX:ENB)(NYSE:ENB) is one of the top income stocks listed on the **TSX Index**. The energy infrastructure giant has paid dividends for more than six-and-a-half decades. Furthermore, it has increased its dividends by a compound annual growth rate (CAGR) of solid 10% in the last 26 years. Above all, the Enbridge stock offers a safe yield of 7.2% amid a lower interest rate environment, making it an attractive investment to derive steady income that would continue to grow with you.

While Enbridge is a must-have stock in your income portfolio, I have shortlisted three more stocks with a long dividend payment history. Further, these Canadian stocks offer solid yield and have diverse and resilient cash flow streams to support future dividend payouts. Moreover, these stocks are trading under $100.

Pembina Pipeline

Pembina Pipeline (TSX:PPL)(NYSE:PBA) is among the most reliable dividend stocks listed on the Canadian stock exchange. Notably, it has consistently paid its regular quarterly dividends since 1997 and offers a juicy yield of over 6.4%. Furthermore, Pembina raised its dividends by about 5% annually in the last decade. Despite the significant disruption from the pandemic, Pembina paid its monthly dividends in 2020, which is encouraging and indicates the strength of its cash flows.

The company owns a diversified and highly contracted asset base that generates solid fee-based cash flows to drive its higher dividend payments. Meanwhile, improving energy demand, increased volumes, and higher pricing should further support its cash flows. Also, its robust backlogs, strong development pipeline, and improving operating leverage position it well to continue to enhance its shareholder's value.

NorthWest Healthcare

NorthWest Healthcare (TSX:NWH.UN) is an excellent dividend-paying stock for investors looking for a steady passive income stream. Like Enbridge and Pembina, NorthWest Healthcare owns a low-risk and diversified business that generates robust cash flows and drives higher dividend payments. Its strong portfolio of healthcare real estate assets helps the company to deliver solid distributable cash flows. Furthermore, it offers a high yield of about 6.2%.

Notably, the company's occupancy rate remains very high, which is positive. Further, most of its tenants are government-backed, while the majority of rents are inflation-indexed. Also, the company has a long lease expiry term that drives its predictable cash flows. I believe its solid acquisition pipeline, expansion in the high-growth markets, growing scale, and robust balance sheet should help NorthWest Healthcare continue to bolster its shareholders' returns through higher dividends and drive its stock.

Canadian Utilities

Canadian Utilities (TSX:CU) is a no-brainer. This Dividend Aristocrat has the longest track record (among the publicly listed Canadian companies) of increasing its quarterly dividends. For instance, it has hiked its dividends for 49 years in a row. The company derives about 95% of its earnings from the rate-regulated utility assets that back its higher dividend payments. While its dividends are safe, it offers a healthy yield of over 5%.

I expect Canadian Utilities to continue to deliver robust cash flows, supported by its high-quality asset base. Further, rate base growth and its continued investments in contracted assets suggest that Canadian Utilities could generate solid earnings and cash flows. Meanwhile, improvement in its energy infrastructure business and cost efficiencies are likely to strengthen its profits, in turn, its dividend payments.

CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Energy Stocks

TICKERS GLOBAL

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

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Date
2025/08/24
Date Created
2021/05/28
Author
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