



## 5 Top Canadian Dividend Stocks to Buy in June 2021

### Description

High volatility and valuation concerns continue to keep investors on edge. Further, an expected spike in inflation is adding to their woes. However, investors with top dividend stocks in their portfolios continue to earn steady income irrespective of the volatility and uncertainty in the market.

With that in mind, I have shortlisted five top TSX dividend stocks offering attractive yields for solid dividend income. Moreover, these companies have been paying dividends for a very long period. Also, they generate stellar cash flows and have sustainable payout ratios.

### Enbridge

**Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) is a [must-have stock](#) in your income portfolio. Thanks to its over 40 diverse cash flow streams, Enbridge has consistently enhanced its shareholders' value. To be precise, it has increased dividends by 10% annually in the last 26 years in a row and has paid dividends for more than 66 years.

I believe Enbridge's diversified cash flow streams, \$16 billion secured capital program, recovery in mainline volumes, and momentum in the core business position it well to deliver robust cash flows in the future and drive its dividend higher. The energy giant offers a very high yield of over 7.2%, which is safe.

### Pembina Pipeline

**Pembina Pipeline** ([TSX:PPL](#))([NYSE:PBA](#)) offers a high yield and has been regularly paying dividends since 1997. Thanks to its highly contracted business and strong, fee-based cash flows, it has raised its dividend by about 5% annually in the last decade. At the current market price, Pembina offers a juicy yield of 6.5%.

I believe Pembina Pipeline's highly contracted assets, recovery in energy demand, exposure to diverse commodities, and improved volumes and pricing will continue to support its bottom line and cash flows. Further, improving operating leverage, a solid backlog of growth projects, and newly secured projects will likely drive future dividends.

## Canadian Utilities

**Canadian Utilities** ([TSX:CU](#)) is one of the most [reliable stocks](#) for dividend income. This Canadian company has the longest track record of dividend growth and has increased its dividends for about 49 years in a row. Currently, it offers a solid dividend yield of over 5%.

Its highly contracted and regulated businesses provide a solid base for continuous dividend growth. I believe its continued investments in the regulated and contracted assets could strengthen its high-quality earnings base and drive cash flows. Moreover, steady improvement in its energy infrastructure business and cost efficiencies are likely to cushion its bottom line and drive the dividend.

## Algonquin Power & Utilities

**Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)) is a solid dividend stock that has consistently paid and raised its dividend by 10% annually in the last 11 years. Its growing rate base and solid earnings support higher dividend payments. Currently, the company offers a safe and healthy yield of 4.5%.

I expect Algonquin Power & Utilities's low-risk business mix, increase in rate base, and long-term power-purchase agreements to continue to drive its earnings at a solid pace and, in turn, support higher dividend payments. Further, expansion of its renewable energy and development projects and strategic acquisitions bode well for future growth.

## Fortis

**Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) raised its dividends for 47 consecutive years and is among the top income stocks listed on TSX. The Dividend Aristocrat projects its future dividends to grow annually by an average of 6% over the next five years, which is encouraging. Currently, it offers a healthy yield of 3.7%.

I believe Fortis's regulated utility assets, rate base growth, and substantial growth opportunities in the renewable power business should continue to drive its earnings and help the company to enhance its shareholders' value through higher dividend payments.

### CATEGORY

1. Coronavirus
2. Dividend Stocks
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## POST TAG

1. Editor's Choice

## TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:ENB (Enbridge Inc.)
3. NYSE:FTS (Fortis Inc.)
4. NYSE:PBA (Pembina Pipeline Corporation)
5. TSX:AQN (Algonquin Power & Utilities Corp.)
6. TSX:CU (Canadian Utilities Limited)
7. TSX:ENB (Enbridge Inc.)
8. TSX:FTS (Fortis Inc.)
9. TSX:PPL (Pembina Pipeline Corporation)

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