



3 Top Canadian Stocks to Buy for Dividend Growth

Description

Whenever you're building a portfolio and investing for the long term, owning dividend stocks is a crucial step. Dividend stocks can play a major role in your portfolio. But the best Canadian stocks to buy will be Dividend Aristocrats: stocks that essentially increase their dividend payments every year.

Because they are continuously increasing their payouts to investors, Dividend Aristocrats are often some of the best long-term stocks to own.

These companies usually have solid businesses in growing industries and are highly defensive. Today, you could argue that's even more true, as the pandemic has caused several companies to halt or suspend dividend payments.

So, any Canadian stock that continues to be on the Dividend Aristocrat list has not only survived the pandemic but increased its payout to shareholders, too.

Here are three of those Canadian stocks to buy today for some of the best long-term dividend growth.

A top Canadian dividend stock for safety and growth

Several stocks in Canada pay dividends. However, there are only a few that are super-high-quality businesses worth owning for decades to come. One of those top Canadian dividend stocks to buy today is **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)).

Enbridge is an energy powerhouse. The company is predominantly a pipeline operator. Today, though, it has tonnes of businesses in its portfolio, giving it great diversification, plenty of opportunities to expand its operations, and, most importantly, a tonne of stability.

In addition to transporting a quarter of all the oil produced in North America and 20% of all the gas consumed in the United States, Enbridge also has a massive utility company as well as rapidly growing green energy assets.

It's the perfect business to buy now and forget about. Not only will it continue to earn more money over the long run and grow shareholder value, but it's also a top Canadian stock to buy for dividend growth.

Enbridge has increased its dividend for more than 25 consecutive years now. Today, it yields an impressive 7%, making it one of the top Canadian dividend stocks to buy now.

A top telecom stock for dividend growth

Another high-quality, blue-chip Canadian stock to buy today that's perfect for dividend investors is **BCE** ([TSX:BCE](#))([NYSE:BCE](#)).

BCE is the biggest telecom stock in Canada. [Telecom stocks](#) are ideal businesses to hold for the long term, because they are a staple of the economy and have huge runways for growth over the years.

BCE is especially attractive because in addition to all that growth the industry has, its corporate makeup gives it even more opportunity.

Its integrated operations allow it to cross-sell and drive sales growth in addition to adding stability to its operations. That's why it's one of the top stocks in Canada to buy for dividend income and stability.

Today, it yields roughly 5.7%, and like Enbridge, it continues to increase its payout to investors each year.

A top Canadian retail stock

Lastly, another high-quality Canadian stock you'll want to consider buying today is **Canadian Tire** ([TSX:CTC.A](#)). Canadian Tire is unlike the other two businesses.

First off, although it's a well-known Canadian brand, it's not necessarily a staple of the economy. Secondly, it doesn't pay out nearly the same amount of earnings as BCE and Enbridge, because it's not as mature and not as much of a cash cow.

Today, Canadian Tire's dividend yields just 2.3%. That's nowhere near Enbridge and BCE. However, it's still impressive, especially for such a top [growth stock](#).

Furthermore, of the three companies, Canadian Tire has increased its payout to shareholders by the most over the last five years.

Since 2016, Enbridge's dividend has increased roughly 50%, and BCE's payout increasing by just 30%. However, Canadian Tire has more than doubled its dividend payment to investors through that time.

Although it doesn't yield as much as BCE or Enbridge today, Canadian Tire is one of the top Canadian stocks to buy today for dividend growth.

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2. NYSE:ENB (Enbridge Inc.)
3. TSX:BCE (BCE Inc.)
4. TSX:CTC.A (Canadian Tire Corporation, Limited)
5. TSX:ENB (Enbridge Inc.)

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