



## 4 of the Best TSX Dividend Stocks to Buy and Hold Forever

### Description

It's always good to have a few top-quality dividend stocks in your portfolio to add stability and consistently earn steady income irrespective of economic cycles and heightened volatility in the market. With that in mind, I shortlisted four **TSX** dividend stocks that you can buy and hold forever for a growing passive income.

Notably, these top Canadian dividend stocks have been regularly paying dividends for a very long period and increase it at a decent pace. Also, these companies have resilient cash flows and sustainable payout ratios. Without further delay, let's take a closer look at these top dividend stocks.

### Enbridge

I suggest that investors buy **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) stock for its diverse cash flow streams, solid earnings base, long dividend payment history, and [attractive yields](#). Notably, the energy giant has consistently rewarded its shareholders with higher dividends and offers an attractive yield of 6.7%. For those who don't know, Enbridge has paid a regular dividend for more than 66 years and raised it annually by 10% in the last 26 years in a row.

Enbridge owns more than 40 diverse cash flow streams and has a contractual framework, suggesting that its payouts are very safe. Moreover, its \$16 billion secured capital program position it well to deliver higher cash flows in the future that could drive its dividend. Further, the recovery in mainline volumes, continued growth in its core businesses, and cost savings are likely to cushion its distributable cash flows and, in turn, its dividend.

### Algonquin Power & Utilities

**Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)) has consistently delivered higher dividends over the past several years. The utility giant has uninterruptedly raised its dividend by 10% annually in the last 11 years, owing to its strong cash flows and growing rate base. Further, its development projects, strategic acquisitions, and expansion of its renewable power capacity will likely support its future growth.

I expect Algonquin Power & Utilities to continue to deliver higher earnings and cash flows on the back of rate base growth, long-term contracts, strategic acquisitions, and low-risk assets. AQN offers a safe and healthy yield of 4.2%, while its stock is [trading cheap \(under \\$20\)](#).

## Toronto-Dominion

**Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) is one of the most reliable bets to generate consistent dividend income. The Canadian banking giant has consistently paid higher dividends to its shareholders, owing to its high-quality earnings base. It has raised its dividends by 11% annually for the past 25 years in a row. Currently, it offers a yield of 3.6%.

I expect the bank to continue to deliver higher earnings on the back of its diversified revenue mix, solid credit performance, and increased deposits, which would facilitate higher dividend payments in the long run. Further, economic expansion and recovery in consumer demand could continue to drive its profits and, in turn, its dividend.

## Fortis

**Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) is one of the top income stocks listed on TSX. It has raised dividends for 47 years, which is encouraging. Further, the utility company anticipates its future dividends to grow by an average of 6% over the next five years, thanks to its regulated and contracted assets.

I expect Fortis to continue to reward its shareholders with higher dividend payments, thanks to its high-quality earnings base supported by its regulated utility assets, rate base growth, and substantial growth opportunities in the renewable power business. Currently, it offers a healthy yield of 3.5%.

### CATEGORY

1. Bank Stocks
2. Coronavirus
3. Dividend Stocks
4. Energy Stocks
5. Investing

### TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:ENB (Enbridge Inc.)
3. NYSE:FTS (Fortis Inc.)
4. NYSE:TD (The Toronto-Dominion Bank)
5. TSX:AQN (Algonquin Power & Utilities Corp.)

6. TSX:ENB (Enbridge Inc.)
7. TSX:FTS (Fortis Inc.)
8. TSX:TD (The Toronto-Dominion Bank)

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## **Date**

2025/08/25

## **Date Created**

2021/06/16

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