



## If You Like Dividends, You'll Love These 2 Stocks!

### Description

There are few better feelings than receiving passive income from dividend stocks. Having money returned to you from your investments gives you the freedom to choose what to do with it next.

This is key because you can invest in a different sector altogether and take advantage of emerging opportunities. And if you're continuing to save and adding to your portfolio, it will make the compounding effect that much quicker.

The key when buying dividend stocks is to make sure the company is strong before anything else. It doesn't matter if it's a high-yield stock with an 8% dividend or a [growth stock](#) with a 1% dividend.

The company should have strong earnings and be quite capable of, at the very least, maintaining its dividend. So although the dividend of a stock can be attractive and enticing, we need to remember we are buying a business as a [long-term investment](#) first and foremost.

With that in mind, if you like dividend stocks, here are two of the best to consider.

### A defensive stock to add for stability

One of the top stocks for [dividend investors](#) to consider buying today is **Algonquin Power and Utilities** ([TSX:AQN](#))([NYSE:AQN](#)).

Algonquin is a renewable energy generator and utility company. Roughly two-thirds of its operations are made up of its utility businesses across the United States. It's one of the top Canadian dividend stocks to buy today for a few reasons.

First, it can help add stability to your portfolio. Utilities are some of the safest stocks you can own. And adding stability is never a bad idea, especially in this uncertain market environment.

Second, its renewable energy segment offers a tonne of long-term growth potential, a perfect complement to its highly stable operations.

Not to mention, Algonquin is a Dividend Aristocrat, and today its dividend yields over 4.2%. So if you're looking for a high-quality dividend stock to add to your portfolio, Algonquin is a top pick to consider.

## One of the top dividend stocks in Canada

In addition to Algonquin, **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) is another one of the best Canadian stocks to buy today.

Enbridge is one of the best stocks in Canada to own long-term, and over the last year, it's been trading considerably [undervalued](#). Even after its 20% rally over the last six months, though, investors can still buy the stock at an attractive valuation today.

The reason Enbridge is one of the best stocks to own long-term is that it's a massive blue-chip stock with incredibly stable and diversified operations, not to mention its dividend.

Enbridge transports roughly a quarter of North America's oil through its pipelines. Furthermore, it also transports 20% of all the natural gas consumed in the United States.

It also owns a massive gas utility company. And on top of that, it's been investing in [green energy](#). Its renewable portfolio has 1.8 gigawatts of contracted energy, making it the 12th largest green energy portfolio in North America.

The nature, size, and diversification of Enbridge's business are what allows it to be so robust and continue to earn strong cash flow, even during downturns in the commodities cycle.

Similar to Algonquin, Enbridge is also a dividend aristocrat. So even though the pandemic slightly impacted it, it held up much better than any other energy stock and even managed to increase its dividend for the 26th consecutive year.

And because the stock is still relatively cheap, it still offers an attractive yield of 6.7%. So if you're looking to add a high-quality dividend stock to your portfolio, Enbridge is one of the top stocks to consider.

### CATEGORY

1. Dividend Stocks
2. Investing
3. Stocks for Beginners

### TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:ENB (Enbridge Inc.)
3. TSX:AQN (Algonquin Power & Utilities Corp.)
4. TSX:ENB (Enbridge Inc.)

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## **Date**

2025/08/24

## **Date Created**

2021/06/16

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