



## 2 Top Dividend Stocks to Buy Right Now

### Description

The Canadian stock market has delivered excellent returns in 2021, with the **S&P/TSX Composite Index** going up by 15% on a year-to-date basis. However, the rising concerns regarding inflation are causing a lot of fear among investors that the federal government could accelerate its original plans to increase interest rates.

The inflationary environment has been imparting an effect on the equity security markets in Canada, causing the stock market to become more volatile than it has been since the start of the year.

If you are also worried about the impact of an inflationary environment on your capital, you might want to reevaluate your portfolio and invest in assets that could provide you with a relatively safer income through dividends and long-term wealth growth through capital gains.

I will discuss two assets that you could consider adding to your portfolio for this purpose.

### Enbridge

**Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) boasts an impressive track record, a [juicy dividend yield](#), and steady cash flows, making it an excellent stock to buy if you are looking for income-generating assets for your portfolio. The company owns and operates 40 diverse income-generating assets, with most of its cash flows coming from long-term contracts or regulated assets.

The predictable cash flows for the company have allowed it to pay its shareholders' dividend payouts for over six decades without interruptions.

The company is also a Canadian Dividend Aristocrat with a 26-year dividend growth streak with a compound annual growth rate of 10%. Enbridge currently pays its shareholders at a juicy 6.75% dividend yield, making it an attractive income asset to consider adding to your portfolio.

The company is also focusing on growing its portfolio of renewable energy assets as it prepares for the future. Enbridge has a three-year capital plan in place through which it will invest \$17 billion on

expanding its renewable power-generating assets.

Combined with the rising demand for oil and gas in a recovering market, Enbridge is well-positioned to deliver consistent and reliable returns through capital gains and dividend payouts.

## Canadian Utilities

**Canadian Utilities** ([TSX:CU](#)) is one of the best Canadian Dividend Aristocrats that you can add to your portfolio right now. Boasting a 49-year dividend growth streak, Canadian Utilities has the longest dividend growth streak among all Canadian publicly traded companies. Canadian Utilities generates predictable cash flows through its five regulated utility assets, allowing it to comfortably finance its growing dividend payouts.

Trading for \$35.64 per share at writing; the stock boasts a juicy 4.94% dividend yield. The company's management plans to invest a massive \$3.2 billion in the next three years to expand its rate base and increase its cash flows. The company is also working on acquiring the Pioneer Natural Gas Pipeline.

The pipeline deal, along with all the other factors, could significantly boost the company's financials in the coming years. It means you can expect the Canadian Dividend Aristocrat to maintain its dividend-growth streak for several years.

## Foolish takeaway

Enbridge and Canadian Utilities' stock could be valuable additions to your portfolio if you are looking for a place to park your capital and continue growing it safely despite the inflationary market environment. The two [income-generating assets](#) can offer security to your capital from the effects of inflation on the broader market and line your account balance with reliable dividend income for years to come.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. TSX:CU (Canadian Utilities Limited)
3. TSX:ENB (Enbridge Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
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6. Sharewise
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