Improve Your Portfolio Yield With These 2 Top Canadian Dividend Stocks

Description

Dividend stocks provide investors with excellent total return potential over the long-term. Indeed, dividends are one-half of the total return equation many investors forget about. With growth being the primary focus of most investors today, capital appreciation is all that seemingly matters.

However, for long-term investors, buying companies that pay out significant dividends is one way to ensure one gets their money back over time, and is able to reinvest in the companies of the future.

Here are two such dividend stocks I think should be on every investor's radar right now.

Enbridge

One high-yielding **TSX** stock that's currently trading at an attractive valuation is **Enbridge** (TSX:ENB)(NYSE:ENB). Indeed, this is one of the best income plays on the TSX right now, in my view. The Calgary-based energy infrastructure company provides a dividend yield of over 6.7% at the time of writing which is certainly superior to most of its peers.

The energy sector is one that has been hit quite hard of late. Accordingly, Enbridge's yield was actually much higher last year on the massive drop the company saw. However, a stable cash flow position and investor belief in the sustainability of Enbridge's dividend has resulted in a nice total return over the past year and a half.

Indeed, Enbridge intends to increase its dividend by around 3% over the medium term. The remainder of the company's cash flows will be reinvested in existing expansion projects and balance sheet improvement initiatives. For long-term investors, this is a good thing. Enbridge operates in a capital-intensive space and thus is reliant on earnings growth.

Indications are that Enbridge will be able to continue to increase its earnings per share over time. These increases should come from prudent asset management, as well as a shift toward renewable energy, which is underway.

In short, Enbridge provides excellent income and total return potential for long-term investors. This is among the dividend stocks I highly recommend investors consider right now.

SmartCentres REIT

In the real estate space, **SmartCentres** REIT (TSX:SRU.U) provides an intriguing buy thesis today. Indeed, this retail-focused REIT has been hit hard as a result of the pandemic. However, similar to Enbridge, SmartCentres has also recovered of late.

As retail real estate recovers from the pandemic, SmartCentres could see a resurgence in investor interest. Indeed, the company's core retail assets are among the best in this sector. The company has a number of blue-chip tenants in a majority of its locations. Accordingly, there's much less risk with this REIT than with other similar stocks right now.

As far as dividend stocks go, SmarCentre's yield of 6.3% is among the best in the space. This company provides excellent diversification and total return potential to long-term investors. Accordingly, this dividend stock ought to be a top choice among investors right now.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. dividend
2. dividend stock
3. energy
4. growth
5. growth stocks
6. investing
7. market
8. Stocks

TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. TSX:ENB (Enbridge Inc.)
3. TSX:SRU.UN (SmartCentres Real Estate Investment Trust)

PARTNER-FEEDS

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

7. Yahoo CA

Category

1. Dividend Stocks
2. Investing

Tags

1. dividend
2. dividend stock
3. energy
4. growth
5. growth stocks
6. investing
7. market
8. Stocks

Date
2025/06/28
Date Created
2021/07/04
Author
chrismacdonald