4 Top Dividend Stocks to Buy Right Now With $400

Description

There was good news last month, with Canadians finally seeing a lot fewer restrictions from COVID-19. These restrictions didn't just mean you could leave the house, however. It also led to a substantial increase in employment. For the month of June alone, employment across Canada grew by 231,000, mainly in part-time and youth employment. Meanwhile, Canadians working from home fell by almost 400,000 to 4.7 million, with the unemployment rate falling to 7.8%.

With work increasing normalcy returning, amid higher interest rates looming in the background, it's a great time to get your cash in order. One of the easiest and most fruitful ways to do this is by making long-term investments. And right now, dividend stocks offer some of the best opportunities. Especially in recovering industries. So let's look at four I would choose today.

BCE

There are a few reasons I would consider **BCE** (TSX:BCE)(NYSE:BCE) today. There of course is the company's dividend yield, currently at 5.65%. This makes it one of the highest yields among dividend stocks on the **TSX** today. That dividend has risen at a compound annual growth rate (CAGR) of 6.43% in the last decade, with the company not missing a payout in the last 140 years!

But it's the company's growing future that has been optimistic for this stock. BCE stock continues to expand non-stop, spending about $4 billion each year over the last decade to expand its network infrastructure. This year, it aims to get its 5G rollout underway, making it totally available in the next two years.

Meanwhile, it continues to roll out its fibre network and wireless home interest, creating even more revenue. With the company taking the market share of 60% of Canadian services, it's one of the company's you should consider as the economy reopens.

CIBC

The Big Six banks continue to be some of the best places to put your cash. During the pandemic, and indeed crashes before, these banks rebounded to pre-crash levels within a year. That was the case yet again during the March 2020 crash. Beyond that, **Canadian Imperial Bank of Commerce** (TSX:CM)(NYSE:CM) managed to hold its position as the top dividend provider among the Big Six Banks.

But it's also one of the top dividend stocks as worries over a housing crash look overblown. You can now pick up shares of CIBC stock with a 4.13% dividend yield, that have risen by a compound annual growth rate (CAGR) of 5.28% in the last decade. Shares now trade at all-time highs, yet it still boasts an undervalued price-to-earnings ratio of 12.03 as of writing! That makes it a top buy on the TSX today.

Pembina Pipeline

I recently wrote that there may be an issue involving oil and gas investment due to ongoing tensions within the Organization of Petroleum Exporting Countries (OPEC+). That's why it's a good time to invest in pipeline companies rather than the more volatile oil and gas stocks. And that's due to a few reasons. Especially in the case of **Pembina Pipeline** (TSX:PPL)(NYSE:PBA).

Pembina is a pipeline company, so no matter what happens to the price of oil and gas its long-term contracts will continue to see oil and gas run smoothly. But on top of that, demand continues to increase no matter what the price of oil, especially in the pandemic recovery.

Meanwhile, with demand increasing Pembina has several growth projects coming online. With a yield at 6.31% as of writing that's risen at a CAGR of 4.91% in the last decade, this is one of the dividend stocks you can hold onto for decades.

NorthWest Healthcare

Even if the pandemic is over if there is one thing we've learned is we need access to *great* healthcare. Not just mediocre. That's why it's still a great time to invest in healthcare real estate investment trusts like **NorthWest Healthcare Properties REIT Units** (TSX:NWH.UN). The company owns a diverse range of healthcare properties around the world and keeps on expanding. Most recently it purchased $200 million in properties in the Netherlands and acquired an Australian healthcare REIT for A$2.43 billion.

Yet the stock is still one of the top dividend stocks with a yield at 6.14% on the TSX today. Shares are up 35% as of writing, but it boasts an insanely cheap 9.71 P/E ratio. So I would pick up this stock while it's still a steal.

CATEGORY

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TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)

2. NYSE:CM (Canadian Imperial Bank of Commerce)
3. NYSE:PBA (Pembina Pipeline Corporation)
4. TSX:BCE (BCE Inc.)
5. TSX:CM (Canadian Imperial Bank of Commerce)
6. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
7. TSX:PPL (Pembina Pipeline Corporation)

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