



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

### Description

Dividend stocks lead to a steady inflow of cash and boost the shareholders' returns. While plenty of Canadian stocks pay a regular cash dividend, only a few are reliable long-term bets, which you could hold forever. We'll focus on top TSX [dividend stocks](#) that have a rich history of dividend payments. Besides, these companies have a solid earnings base, implying that their payouts are safe and sustainable.

Let's take a closer look and see what's driving the dividends of these companies.

### Algonquin Power & Utilities

**Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)) is one of the top [dividend stocks](#) you can bet on for a growing income stream. Thanks to its high-quality, regulated assets and long-term power-purchase agreements, the company continues to deliver solid earnings and cash flows that drive higher dividend payments. Notably, the utility company has raised its dividends at a CAGR of 10% in 11 consecutive years. Furthermore, it offers a healthy yield of over 4.4%.

Algonquin Power & Utilities projects its rate base to increase by a double-digit rate in the coming five years, implying that its adjusted EBITDA and earnings could mark healthy growth during the same period. Besides, opportunities in the renewable business and strategic acquisitions could bolster its growth rate and drive future dividend payments.

### Toronto-Dominion Bank

Investors could consider buying the shares of **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) for consistent dividend income. The bank's ability to consistently deliver solid earnings drives higher dividend payments. Notably, Toronto-Dominion Bank has hiked dividends by a CAGR of 11% in the last 25 consecutive years, which compares favourably to its peers. Furthermore, it offers a dividend yield of 3.7%.

The bank is well positioned to deliver robust earnings growth in the coming years and enhance shareholders' value over the long term. Its strong balance sheet, diversified business, and increase in

loans and deposit volumes are likely to drive its top and bottom lines. Moreover, solid credit performance, lower provisions, and expense management could cushion its earnings. Furthermore, the steady economic expansion is likely to provide a solid growth foundation.

## Canadian Utilities

Among all the publicly traded Canadian companies, **Canadian Utilities** ([TSX:CU](#)) has the longest track record of increasing its dividend. To be precise, Canadian Utilities has hiked its dividend for 49 years in a row, and it offers a high yield of over 5%.

The company's payouts are backed by its regulated and contracted assets that generate predictable cash flows. Its continued investments in the regulated and contracted assets are likely to drive its high-quality earnings base and support its future payouts. Moreover, improvement in its energy infrastructure business and focus on cost containment is likely to support its earnings.

## Fortis

**Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) is another well-known dividend stock with a long dividend payment history. Fortis has rewarded its shareholders with higher dividend payments for 47 years and offers a safe yield of 3.6%. Thanks to its rate-regulated earnings and growing rate base, Fortis sees a 6% annual growth in its dividends over the next five years.

Fortis's low-risk business and diversified asset base provide a solid foundation for continued earnings growth. Meanwhile, it projects its rate base to increase by a CAGR of 6% through 2025, supporting its cash flows and driving future dividend payments. Meanwhile, its continued investments in infrastructure, focus on renewable power business, and inorganic growth opportunities acquisitions position it well to consistently deliver high-quality earnings.

### CATEGORY

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

### TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:FTS (Fortis Inc.)
3. NYSE:TD (The Toronto-Dominion Bank)
4. TSX:AQN (Algonquin Power & Utilities Corp.)
5. TSX:CU (Canadian Utilities Limited)
6. TSX:FTS (Fortis Inc.)
7. TSX:TD (The Toronto-Dominion Bank)

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