



2 Top Dividend Stocks for Your Portfolio

Description

Dividend stocks are a blessing for Canadian investors looking to generate significant returns from their investment capital. Provided that you can find the right assets to invest in, you can rely on these income-generating assets in your portfolio to continue providing you with income regardless of economic conditions. The best [dividend stocks](#) can even continue generating passive income for you during volatile market conditions that see a broad pullback in equity securities.

2020 was a devastating year for the economy due to the pandemic. Past the halfway mark in 2021, the pandemic appears to be subsiding, resolving much of the uncertainty that made investors nervous throughout last year.

However, the improving conditions do not decrease the importance of having a passive-income stream to improve your financials. In fact, it only creates the perfect opportunity for you to create a passive-income stream with dividend stocks if you don't already have such a portfolio. Finding the right assets to create a dividend income portfolio can be challenging if you don't know what to look for.

I will discuss two time-tested assets that could serve as [foundations for your passive-income stream](#).

Fortis

Fortis ([TSX:FTS](#))([NYSE:FTS](#)) is one of the most well-reputed Canadian Dividend Aristocrats, making it a natural pick for dividend-income portfolios. The company has been raising its shareholder dividends for the last 47 years, and it shows no signs of breaking its stellar streak anytime soon. Fortis stock boasts Canada's second-longest dividend-growth streak.

The utility company provides an essential service through a diversified portfolio of rate-regulated assets to millions of customers. The company can continue generating predictable and ever-increasing revenues regardless of economic cycles and market conditions. The company has seen several harsh economic environments come its way but managed to continue increasing payouts to its shareholders.

Trading for \$55.44 per share at writing, Fortis stock boasts a juicy 3.64% dividend yield that you could

lock into your portfolio today.

Bank of Nova Scotia

Bank of Nova Scotia ([TSX:BNS](#))([NYSE:BNS](#)) is another reliable dividend stock that could make for an excellent addition to your dividend income portfolio. The company is one of the Big Six Canadian banks, and it has a stellar reputation for providing its shareholders with reliable dividends, regardless of economic conditions.

Canadian banks are not typically considered growth prospects, and the dividend payouts from these financial institutions are the real attraction for investors. However, Scotiabank is well positioned to provide its investors with growth through its leading presence in several emerging economies in Latin America, including Chile, Peru, Mexico, and Columbia.

Also known as the Pacific Alliance, this region is expected to grow rapidly in the coming years, presenting Scotiabank with [plenty of growth potential](#). Trading for \$79.29 per share at writing, Scotiabank stock boasts a juicy 4.54% dividend yield that you can lock into your portfolio today.

Foolish takeaway

By accumulating shares of dividend-paying companies, you can supplement your income to improve your spending power. You can also reinvest the additional income to boost your savings by unlocking the power of compounding to make your investments earn more money for you.

Depending on how well you can manage your dividend income portfolio, you can become a wealthy investor in the long run. Fortis stock and Scotiabank stock could be excellent stock picks to begin building such a portfolio.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

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2. NYSE:FTS (Fortis Inc.)
3. TSX:BNS (Bank Of Nova Scotia)
4. TSX:FTS (Fortis Inc.)

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