



2 Cheap High-Yield Dividend Stocks to Buy Right Now

Description

The stock market still offers dividend investors a chance to buy some top high-yield stocks at cheap share prices.

Enbridge

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) is a giant in the North American energy infrastructure industry. Assets include the world's longest crude oil and liquids pipeline network which moves about 25% of the oil produced in Canada and the United States. The natural gas transmission and midstream assets extend more than 38,000 kilometres and transport roughly 20% of U.S. consumption. Storage capacity is about 440 billion cubic feet.

Enbridge also operates the largest natural gas utility business in North America by volume and the third-largest based on total customers.

Finally, Enbridge has a growing renewable energy division with existing and future generating capacity to power nearly a million homes.

The company reported strong [Q1 2021 results](#) and the Q2 numbers should be solid, as well. The pandemic hit throughput on the oil pipelines, but the company still hit its 2020 financial targets that were put in place before the rout in the energy market.

The second half of 2021 and 2022 should see a continued rebound in oil pipeline volumes as refineries order more crude oil feedstock to meet the rising demand for jet fuel and gasoline. This bodes well for future revenue and cash flow. Enbridge also has a \$17 billion capital program that should deliver an extra \$2 billion in incremental EBITDA annually.

As a result, cash flow growth is expected to be 5-7% through 2023. The dividend should increase at the same pace.

The stock appears cheap right now near \$49 per share. Investors who buy at this level can pick up a

6.8% dividend yield with decent distribution growth on the horizon.

BCE

BCE ([TSX:BCE](#))([NYSE:BCE](#)) stock is up 13% in 2021, but more gains should be on the way for Canada's largest communications company.

BCE is investing billions of dollars to expand its fibre-to-the-premises program and is ramping up its [5G network](#) rollout. These assets help sustain BCE's wide competitive moat while providing the company with new revenue opportunities.

The recent decision by the CRTC to cancel planned cuts to wholesale internet rates is a bonus for BCE and its investors. BCE now has a clear picture of its revenue stream on that side of the business and has increased its capital program as a result.

The stock trades near \$62 per share at the time of writing. That's up from the 2020 low near \$52, but still off the pre-pandemic high around \$65 per share. Investors who buy the stock today can pick up a solid 5.6% dividend yield.

BCE generates strong free cash flow to support the payout and investors should see steady dividend hikes in the coming years. The stock is a good defensive pick for investors who are concerned the broader market might be headed for a healthy correction.

The bottom line

Enbridge and BCE are leaders in their respective industries and pay generous high-yield dividends that should continue to grow. If you are searching for top dividend stocks for an income portfolio Enbridge and BCE deserve to be on the buy list today.

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Date

2025/07/27

Date Created

2021/07/29

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