2 TSX Dividend Stocks to Buy Amid Slowing-Recovery Fears

Description

Canadian stocks continue to trade on a mixed to slightly negative note for the fourth consecutive session today. At 11:15 AM EST, the **TSX Composite Index** was hovering near 20,389 — down 0.5% for the day. The recent weakness in oil prices, mixed metal prices, and rising fears of slowing global economic recovery could be keeping stock investors on their toes lately. Nonetheless, investors could safeguard their portfolios against such negative factors by investing in some high-dividend-yielding TSX stocks for the long term. Here are two of the best Canadian dividend stocks to buy right now.

Enbridge stock

Enbridge (TSX:ENB)(NYSE:ENB) is one of the best Canadian dividend stocks to buy at the moment. This Calgary-based energy infrastructure company generates most of its revenue from the United States, as it transports nearly 20% of total natural gas consumed in the country. Enbridge's liquids pipelines also transport roughly 25% of total crude oil produced in North America.

Last year, the global pandemic caused a sudden drop in energy demand and oil prices. It took Enbridge's total revenues in 2020 down by 22% from a year ago. Nonetheless, the company's revenue-growth trend has already turned positive in the first half of 2021. Its revenue growth is likely to accelerate further in the second half of this year, as the demand for energy products is consistently rising amid reopening economies.

Its reliable business model, resilient cash flow, and transparent long-term growth outlook help Enbridge keep rewarding its investors with high dividends, even in difficult times. For example, the company's dividend increased by 9.8% YoY (year over year) to $3.24 per share last year. Interestingly, its dividends have grown positively by about 74% in the last five years (between 2015 to 2020). At the current market price of $49.28 per share, ENB stock has a solid dividend yield of 6.8%.

Scotiabank stock

Bank of Nova Scotia (TSX:BNS)(NYSE:BNS) could be another great TSX dividend stock to buy right now. The bank makes most of its revenue by providing a variety of financial services in its home market. Apart from Canada, the bank's other key markets include the United States, Caribbean and Central America, Mexico, Chile, and Peru.

Scotiabank stock currently has a strong dividend yield of 4.4%. Its well-diversified financial services portfolio helped it remain financially stable during the pandemic phase. That's why the bank increased its dividend by 2.6% in 2020 to $3.60 per share. After posting a 25% drop in its fiscal 2020 adjusted earnings, Scotiabank's earnings in the first half of fiscal 2021 have been much stronger than the pre-pandemic levels (compared to the first half of the fiscal year 2019).

While ongoing fears about slowing global economic growth might hurt the stock market temporarily, it might not affect strong long-term economic recovery across North America. It could be another reason why Street analysts expect Scotiabank's YoY earnings-growth rate to improve further in a coming couple of quarters. Despite its strong balance sheet and ongoing strong financial recovery, Bank of Nova Scotia stock hasn't seen much appreciation this year so far. The stock is currently trading with only 17% year-to-date gains. That's why you may want to add this amazing dividend stock to your portfolio right now before it starts rallying.

CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. NYSE:ENB (Enbridge Inc.)
3. TSX:BNS (Bank Of Nova Scotia)
4. TSX:ENB (Enbridge Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. jparashar
2. kduncombe

Category

1. Coronavirus
2. Dividend Stocks
3. Investing

Date
2025/06/30
Date Created
2021/08/17
Author
jparashar