



Income Investors: 2 TSX Stocks Have Raised Dividends for 21 Consecutive Years

Description

Two prominent TSX stocks in the energy sector are well loved by [income investors](#). **Canadian Natural Resources** ([TSX:CNQ](#))([NYSE:CNQ](#)) and **TC Energy** ([TSX:TRP](#))([NYSE:TRP](#)) are fixtures in their stock portfolios because of growing dividends. Both companies are [Dividend Aristocrats](#) for raising their dividends for 21 consecutive years.

If you don't own the stocks yet in 2021, make a move to purchase them to enjoy the same rare benefits. Both [energy stocks](#) display resiliency with gains of up to 38% year to date. The average dividend is a hefty 5.17%, so a combined investment of \$50,000 will produce \$2,585 in passive income. Moreover, your capital could swell to \$137,000 in 20 years if you keep reinvesting the dividends.

Formula to grow

Canadian Natural Resources, or CNR, believes it has all the means to grow. The \$48.76 billion company has financial discipline, a strong balance sheet, and the capacity to internally generate funds. Management's foremost objective over the last three decades has been to maximize value for CNR shareholders.

The company's conventional crude oil and natural gas operations are in domestic and international basins. Its world-class oil sands mining and thermal operations should deliver sustainable adjusted funds flow in the long term. CNR's competitive advantage is the long-life, low-decline asset base.

In the first half of 2021, CNR reported revenue growth of 73.17% versus the same period in 2020. Net earnings were \$2.9 billion compared to the \$1.6 billion net loss. Management maintains an optimistic outlook for the remainder of 2021. The \$3.2 billion capital budget should generate robust free cash flow between \$4.9 billion and \$5.9 billion.

Quality projects in the pipeline

Over the last three months, TC Energy was busy building partnerships in noteworthy projects. The \$47 billion energy infrastructure company kicked off June with the announcement of the Alberta Carbon Grid project. The company will jointly develop a world-scale carbon transportation and sequestration system with **Pembina Pipeline**.

In late July, TC Energy reached an agreement with the Department of National Defence for the Ontario Pumped Storage Project. Once the partners obtain regulatory approval, they will develop a transformative 1,000-megawatt clean energy storage project on federal lands. Electricity consumers in Ontario could realize more than \$250 million in annual savings.

On August 12, 2021, TC Energy signed a memorandum of understanding with Irving Oil to explore the joint development of several energy projects that would reduce greenhouse gas emissions. The initial works are upgrade projects at Irving's New Brunswick refinery. Besides employment opportunities, producing and using low-carbon power generation will reduce emissions significantly.

The investment thesis for TC Energy is its enduring business. Management boasts a diversified and irreplaceable portfolio of high-quality, long-life energy infrastructure assets. In Q2 2021, revenue grew 3% versus Q2 2020. However, net income fell by 23.3%. Notably, net cash from operations increased 6% to \$1.7 billion.

TC Energy generates significant cash flows because of the regulated business models and long-term contracts with credit-worthy counterparties. The quality projects in the pipeline should also drive growth.

Cash cows

Canadian Natural Resources and TC Energy are excellent investment choices if you're looking for cash cows. Scoop them now while the prices are relatively low. Breakouts in 2021 are imminent if oil prices and demand continue to rise.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:CNQ (Canadian Natural Resources)
2. NYSE:TRP (Tc Energy)
3. TSX:CNQ (Canadian Natural Resources Limited)
4. TSX:TRP (TC Energy Corporation)

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. cliew
2. kduncombe

Category

1. Dividend Stocks
2. Energy Stocks
3. Investing

Date

2025/07/17

Date Created

2021/08/19

Author

cliew

default watermark

default watermark