



## Want to Be Richer? Add \$1,000 to These Stocks Now

### Description

Can **Royal Bank of Canada** ([TSX:RY](#))([NYSE:RY](#)) and **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) make you rich? The bank stock and energy stock stand out on the TSX, because of their [prolific dividend track records](#). I'm sure many Canadians with long-term financial goals have one or both in their investment portfolios.

The ultimate goal of [dividend investors](#) is to amass riches in the hope they achieve financial independence sooner or retire wealthy. How else can you build a fortune when you're earning regular income or salary?

If you own RBC or Enbridge shares today, adding \$1,000 worth won't hurt. However, your level of richness could rise further if you accumulate increments of \$1,000 whenever possible. You'll have an enormous nest egg in your sunset years.

### Stronger from the pandemic

Investment experts can't argue that the big banks in Canada, especially the country's largest, are sound investments. RBC and the rest of its peers have emerged stronger from the pandemic-induced crisis. The \$188.18 billion bank has a strong history of dividend growth. Likewise, its track record of payouts is 151 years.

Besides its size and market position, RBC has an edge in global exposure. However, one major advantage of investing in this top-tier bank is its high dividend-growth rate. Investors anticipate a new round of dividend increases by banks following the Q2 fiscal 2021 financial results.

RBC is holding back for now pending the lifting of restrictions on dividend increases by the Office of the Superintendent of Financial Institutions (OSFI). Management could decide to use some of the bank's \$9.9 billion excess capital to shore up dividends.

As of August 24, 2021, the bank stock trades at \$132.05 per share. Your \$1,000 can buy an additional seven shares. RBC's dividend yield is 3.28%, while the payout ratio is only 43.9%. Your money is safe

and secure in good and bad times.

## Superior shareholder value

Enbridge ranks fifth in TSX's top 10 [large-cap stocks](#). **Shopify**, the Big Five banks, **Brookfield Asset Management**, **Canadian National Railway**, **Canadian Pacific Railway**, and **Thomson Reuters** complete the list.

Enbridge's president and CEO Al Monaco summed it up in one investment pitch. He said, "Over the decades, Enbridge has delivered superior shareholder value. Our low-risk business model has resulted in strong and consistent growth in the dividend, which we are continuing to deliver."

The \$99.63 billion company operates the world's longest and most complex crude oil and liquids transportation system. Without Enbridge's natural gas pipelines, North America's natural gas supply areas won't connect to major demand centres in Canada and the United States.

Regarding natural gas utility, Enbridge has the largest by volume and third largest by customer count. Its renewable energy assets are likewise growing, with a committed investment budget of \$7 billion. Management estimates distributable cash flow per share CAGR to be between 5% and 7% through 2023.

Your \$1,000 can purchase 20 more shares (\$49.18 per share) of Enbridge today. Meanwhile, the best-in-class energy stock pays a lucrative 6.81% dividend. The stock price could spike and dip but would not harm the dividend payments.

## Keep the strategy simple

Building wealth through dividend investing takes time. However, keep your investment strategy simple. Limiting your core holdings to blue-chip assets like RBC and Enbridge should help achieve your goal.

### CATEGORY

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

### TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. NYSE:RY (Royal Bank of Canada)
3. TSX:ENB (Enbridge Inc.)
4. TSX:RY (Royal Bank of Canada)

### 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. metienne

#### **Category**

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

#### **Date**

2025/07/02

#### **Date Created**

2021/08/28

#### **Author**

cliew

default watermark

default watermark