4 Top Dividend Aristocrats to Invest in Today

Description

The best approach to generating income in the stock market is dividend investing. However, you can only achieve true success by limiting your holdings in your basket to low-risk investments.

Royal Bank of Canada (TSX:RY)(NYSE:RY), **Canadian National Railway** (TSX:CNR)(NYSE:CNI), **Emera** (TSX:EMA), and **TFI International** (TSX:TFII)(NYSE:TFII) can form your “fantastic four.” All these companies are Dividend Aristocrats, and only one isn’t cross-listed on the New York Stock Exchange.

Top-tier asset

Canada’s largest bank stood tall again in Q3 fiscal 2021 (quarter ended July 31, 2021). RBC’s net income rose 34% to $4.3 billion versus Q3 fiscal 2020. All business segments reported profit growth, with Personal & Commercial Banking reporting a 55% increase from a year ago.

Also, the blue-chip asset is the top performer in the banking sectors thus far in 2021 (+30.07%). At $132.28 per share, the $188.46 billion bank pays a decent 3.27%. RBC also ended the third quarter with surplus cash of $69.2 billion. A dividend increase is possible if the banking regulator lifts restrictions soon.

Economic driver

CNR pays only a 1.77% dividend, but it shouldn’t be a reason to pass up on the large-cap stock. The $98.7 billion company boasts the only transcontinental railway in North America. Moreover, it could soon merge with **Kansas City Southern** barring any hitches in the takeover bid.

The bidding war with **Canadian Pacific Railway** to acquire the American railway operator is still ongoing. Nonetheless, with or without the deal, CNR is vital to the economy. It transports over $250 billion worth of goods in North America annually. In the last 24.78 years, the stock's total return is 4,692.33% (16.9% CAGR).

Recession-proof

Emera in the utility sector is recession-proof. The $15.26 billion company takes care of electricity and gas generation, transmission, and distribution in North America. About 2.5 million end-users in the U.S., Canada, and the Caribbean depend on Emera.

At $59.51 per share, the dividend offer is a generous 4.28%. Management looks to achieve a rate base growth of between 7.5% and 8.5% through 2023. The company will spend roughly $2 billion this year to raise the rate base to 6%. Its total capital budget until 2023 amounts to $7.4 billion. Likewise, it plans to increase dividends by 4-5% annually through 2022.

A platform for growth and profitability

TFI International is the top-performing Dividend Aristocrat today with its incredible 118.7% year-to-date gain. The industrial stock trades at $142.50 per share and pays a modest 0.88% dividend. This $13.25 billion transportation and logistics company has a vast e-commerce network covering 80 cities in North America.

In Q2 2021, TFI impressed investors with a 398% and 226% increase in net income and operating income versus Q2 2020. According to its chairman, president, and CEO Alain Bédard, all the business segments reached new heights during the quarter.

Despite the unprecedented events in 2020, management's strategy created a platform for growth and profitability. The promise in the second half of 2021 is the strong execution of the business strategy and generating robust cash flow to enhance shareholder value further.

Buy and hold

A stock portfolio filled with Dividend Aristocrats will help you reduce market risks and maximize returns. Furthermore, the four stocks in focus are all buy-and-hold stocks. You can reinvest the dividends to amass a fortune in the long run.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:CNI (Canadian National Railway Company)

2. NYSE:RY (Royal Bank of Canada)
3. NYSE:TFII (TFI International)
4. TSX:CNR (Canadian National Railway Company)
5. TSX:EMA (Emera Incorporated)
6. TSX:RY (Royal Bank of Canada)
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