



Boost Your Passive Income With These 4 Canadian Dividend Aristocrats

Description

Companies with a market capitalization of over \$300 million and that have raised their dividends uninterrupted for the last five years would be considered Canadian Dividend Aristocrats. These companies would have resilient business models and strong cash flows, and they have sailed through several turbulent periods. So, investors can rely on these companies to earn stable passive income. Meanwhile, if you are ready to invest, here are four top Dividend Aristocrats that you can buy right now.

Algonquin Power & Utilities

Algonquin Power & Utilities ([TSX:AQN](#))([NYSE:AQN](#)) has raised its dividends for 11 consecutive years at a CAGR of over 10%. The company operates several low-risk utility assets and rate-regulated renewable power production facilities, delivering stable cash flows. These steady cash flows have allowed it to raise its dividend consistently. Currently, the company pays a quarterly dividend of US\$0.1706 per share, with its forward yield standing at 4.42%.

Meanwhile, Algonquin Power & Utilities is looking at strengthening its utility and renewable asset base and has [planned](#) to spend around \$9.4 billion through 2025. Along with these investments, the increased transition towards clean energy could boost the company's financials, thus allowing it to continue with its dividend growth.

TC Energy

TC Energy ([TSX:TRP](#))([NYSE:TRP](#)) is a midstream energy company that generates around 95% of its adjusted EBITDA from rate-regulated assets or long-term contracts. So, it delivers stable cash flows, which has allowed it to raise its dividends for 21 consecutive years at a CAGR of over 7%. Currently, it pays a quarterly dividend of \$0.87 per share, with its forward yield standing at 5.54%.

Meanwhile, TC Energy is continuing with its secured capital program of \$21 billion, which could boost its financials in the coming years. Also, the company could benefit from the rising energy demand amid the easing of restrictions. Amid the expectation of solid cash flows, TC Energy's management expects

to raise its dividends by 5-7% annually for the next few years. So, [TC Energy would be an excellent buy for income-seeking investors.](#)

BCE

BCE ([TSX:BCE](#))([NYSE:BCE](#)), one of the three top players in the Canadian telecommunication industry, is my third pick. Due to its large and growing customer base and a higher percentage of its revenue coming from recurring sources, the company generates strong cash flows. These strong cash flows have allowed the company to raise its dividend consistently since 2008. Meanwhile, its forward yield currently stands at a healthy 5.25%.

BCE is investing aggressively to expand its 5G and broadband services across Canada. It recently acquired 271 new licences by investing around \$2.07 billion. It could also benefit from the growing demand for faster and reliable internet service amid digitization and increased remote working and learning. Its financial position looks strong, with its liquidity standing at \$5.3 billion as of June 30. So, I believe BCE is well equipped to continue with its dividend growth.

Enbridge

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) could be an excellent addition to your portfolio, given its solid track record. It has paid dividends uninterrupted for the last 66 years while raising the same for the previous 26 years at a CAGR of over 26 years. It operated 40 diversified, low-risk assets, generating around 98% of its cash flows from regulated assets or long-term contracts, stabilizing its cash flows. Currently, Enbridge pays a quarterly dividend of \$0.835, with its forward yield standing at 6.57%.

Meanwhile, the rising energy demand could increase the throughput of its liquid pipeline segment, boosting its financials. The company plans to invest around \$17 billion from 2021 to 2023, with \$10 billion of projects would be put into service this year only. So, given the favourable market conditions and its investments, the company's cash flows could rise, thus allowing it to raise its dividends in the coming years.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
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TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:BCE (BCE Inc.)
3. NYSE:ENB (Enbridge Inc.)
4. NYSE:TRP (Tc Energy)
5. TSX:AQN (Algonquin Power & Utilities Corp.)
6. TSX:BCE (BCE Inc.)
7. TSX:ENB (Enbridge Inc.)
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rnanjapla

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