4 High-Yielding Dividend Stocks to Buy Amid Rising Volatility

Description

Amid concerns over higher valuation, rising inflation, and a slowdown in the economic recovery rate, the equity markets have turned volatile over the last few months. So, investors can buy the following four high-yielding dividend stocks to strengthen their portfolio while earning a higher stable passive income.

Enbridge

Amid rising energy demand due to improved economic activities, I have picked Enbridge (TSX:ENB)(NYSE:ENB), a midstream energy company, as my first pick. It has paid dividends uninterruptedly for the last 66 years while raising the same at a compound annual growth rate (CAGR) of over 10% for the previous 26 years. Meanwhile, its forward yield currently stands at an impressive 6.59%.

Besides, Enbridge's management has planned to invest around $17 billion from 2021 to 2023 to expand its transmission and distribution business while increasing its power production capacity. Along with these investments, the recovery in the energy sector and its solid underlying business could drive its earnings and cash flows, thus allowing it to continue with its dividend growth.

Pembina Pipeline

Pembina Pipeline (TSX:PPL)(NYSE:PBA) would be my second pick. It pays a monthly dividend of $0.21 per share with its forward yield standing at 6.33%. The company earns around 94% of its adjusted EBITDA from regulated assets or fee-for-service and take-or-pay contracts, thus delivering stable cash flows. Supported by these strong cash flows, the company has rewarded its shareholders with $10.1 billion of dividends since 1997.

Meanwhile, Pembina Pipeline has around $1 billion of projects under construction, while about $700 million are in deferred and pending reactivation stage. Further, it has over $4 billion worth of potential new projects. The company's financial position looks healthy, with its liquidity standing at $2 billion. Given its healthy growth prospects and solid liquidity position, I believe Pembina Pipeline's dividends are safe.

Pizza Pizza Royalty

After reporting a solid second-quarter performance last month, **Pizza Pizza Royalty** (TSX:PZA) raised its monthly dividends from $0.055 per share to $0.06. The rising of dividends shows the management's confidence in its future earnings and cash flows. The easing of restrictions has allowed the company to reopen its dining spaces and non-traditional restaurants, which could boost its financials in the coming quarters.

Pizza Pizza's investment in strengthening its digital channels, such as delivery and pickup at restaurants, could continue to support its financial growth even in the post-pandemic world. Also, given its asset-light model, the company could bounce back quickly. Currently, its forward yield stands at a healthy 6.28%.

BCE

My final pick would be **BCE** (TSX:BCE)(NYSE:BCE), which has raised its dividends consistently since 2008. Its large and growing customer base and significant recurring revenue generate stable cash flows, thus allowing it to increase its dividends uninterruptedly. It currently pays a quarterly dividend of $0.875 per share, with its forward yield standing at 5.41%.

Meanwhile, the demand for telecommunication services is rising amid digitization and the growing remote working and learning culture, benefiting BCE. Further, the company is aggressively investing in expanding its 5G service and high-speed broadband services, which could boost its financials in the coming quarters.

Its financial position also looks healthy, with its liquidity standing at $5.3 billion as of June 30. So, I believe BCE would be an excellent buy for income-seeking investors.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:ENB (Enbridge Inc.)
3. NYSE:PBA (Pembina Pipeline Corporation)
4. TSX:BCE (BCE Inc.)
5. TSX:ENB (Enbridge Inc.)
6. TSX:PPL (Pembina Pipeline Corporation)
7. TSX:PZA (Pizza Pizza Royalty Corp.)

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. arosenberg
2. rnanjapla

Category

1. Dividend Stocks
2. Energy Stocks
3. Investing

Date
2025/07/02
Date Created
2021/09/27
Author
rnanjapla