



2 High-Yield TSX Stocks to Buy Now for Passive Income

Description

Retirees and other income investors are searching for top TSX stocks that pay reliable dividends with attractive yields. The broader market looks expensive right now, but some top TSX [dividend stocks](#) still trade at reasonable prices.

Bank of Nova Scotia

Bank of Nova Scotia ([TSX:BNS](#))([NYSE:BNS](#)) trades near \$79 per share at the time of writing and provides investors with a 4.6% dividend yield. This is a solid return on your investment, even if the stock doesn't move higher.

The dividend should increase meaningfully in 2022, boosting the yield even higher for those who buy now.

Bank of Nova Scotia is sitting on excess cash it built up last year to cover potential loan losses due pandemic-related business closures and lost jobs. Risks still remain, especially as government aid programs wind down, but the worst-case situation for Bank of Nova Scotia and its peers hasn't materialized, and there is now extra cash to deploy.

Bank of Nova Scotia's CEO recently said the bank is considering small acquisitions in the United States to boost growth. Investors could also see the bank ramp up share buybacks and hike the dividend once the government allows the Canadian banks to restart these programs. A 10% dividend increase in 2022 wouldn't be a surprise.

Bank of Nova Scotia's international business has strong long-term growth prospects. As the global recovery kicks into gear and the pandemic gets under control, the situation should improve in the bank's Latin American operations focused on Mexico, Peru, Chile, and Colombia.

TC Energy

TC Energy ([TSX:TRP](#))([NYSE:TRP](#)) operates more than 90,000 km of natural gas pipeline infrastructure in Canada, the United States, and the Caribbean. The company also has natural gas storage and power-generation assets.

Natural gas demand is soaring around the world, as rebounding economic activity and extreme weather conditions drive up electricity demand. Natural gas is used as a fuel source in power plants. Many countries are converting coal and oil facilities to use natural gas as part of their green-energy transition. Ideally, the world would get all the power it needs from solar, wind, and hydroelectric sources, but these can be unreliable. Drought conditions around the planet have reduced water flow in rivers that drive hydroelectric power stations. Cloudy skies interrupt solar power, and a drop in the breeze makes wind turbines less effective.

As a result, gas-fired power generation has a strong future as both a primary and back-up system.

TC Energy owns and operates a strategic infrastructure network that moves Canadian and American natural gas from producers to liquified Natural Gas (LNG) facilities that ship it to overseas customers. As the LNG market expands, TC Energy should benefit.

TC Energy traded near \$75 per share before the pandemic. At the time of writing, investors can buy the stock for \$62 and pick up a 5.6% dividend yield. TC Energy intends to raise the dividend by 5-7% per year. That's good guidance for income investors.

The bottom line on top high-yield stocks

Bank of Nova Scotia and TC Energy pay attractive dividends that should grow in the coming years. The stocks look reasonable at current prices and should deliver solid long-term returns. If you have some cash to put to work in a portfolio focused on passive income, these stocks deserve to be on your radar.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. NYSE:TRP (Tc Energy)
3. TSX:BNS (Bank Of Nova Scotia)
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. aswalker
2. kduncombe

Category

1. Dividend Stocks
2. Investing

Date

2025/08/29

Date Created

2021/09/28

Author

aswalker

default watermark

default watermark