3 Top Dividend Stocks That Could Help You Retire Early

Description

The COVID-19 pandemic has dramatically changed the retirement picture for millions of Canadians. A recent survey conducted by Ipsos on behalf of the Canadian Institute of Actuaries (CIA) asked over 1,500 Canadians about their retirement. In the survey, 40% of non-retired respondents said they do not know when they will retire. Moreover, 14% said they did not expect to ever retire. Today, I want to look at three dividend stocks that could help you retire early through their consistent income and stability. Let's dive in.

This future Dividend King can lead you to retirement glory

Fortis (TSX:FTS)(NYSE:FTS) is a St. John's-based utility holding company that has delivered 47 consecutive years of dividend growth. That means it is three years from becoming a Dividend King. Shares of this dividend stock have climbed 7.3% in 2021 as of early afternoon trading on September 28. The stock is down 3% month over month.

Last August, I'd suggested that Fortis was a great dividend stock to hold for the long term. In the first half of 2021, the company delivered adjusted net earnings of $619 million, or $1.32, in the year-to date period — up from $573 million, or $1.23, in the first six months of 2020. Fortis's five-year capital plan is expected to support annual dividend growth of 6% through 2024.

Shares of Fortis possess a solid price-to-earnings (P/E) ratio of 21. It offers a quarterly dividend of $0.505 per share, which represents a 3.6% yield.

A super dividend stock that is worth holding forever

Enbridge (TSX:ENB)(NYSE:ENB) is a heavyweight in the Canadian energy sector. This dividend stock has increased 23% in the year-to-date period. Its shares have gained serious momentum since dipping in late 2020. Energy stocks have been bolstered by surging oil and gas prices in 2021.

In Q2 2021, this company delivered adjusted earnings of $1.4 billion, or $0.67 per common share — up from $1.1 billion, or $0.56 per common share, in the prior year. The strong quarter spurred Enbridge to reaffirm 2021 full-year guidance range of EBITDA between $13.9 billion and $14.3 billion. On the business side, the Line 3 Replacement Project is expected to be in service by the fourth quarter of this fiscal year.

This dividend stock last had a favourable P/E ratio of 16. It offers a quarterly dividend of $0.835 per share. That represents a great 6.6% yield.

One more income-yielding equity that will help you retire early

Great-West Lifeco (TSX:GWO) is a Winnipeg-based company that is engaged in the insurance and financial services industry. Shares of this dividend stock have climbed 28% in 2021. The stock is up 45% year over year.

The company unveiled its second-quarter 2021 results on August 3. Total base earnings were reported at $826 million — up from $706 million in the prior year. Meanwhile, base earnings per share rose to $0.89 compared to $0.76 in the second quarter of 2020.

Shares of this dividend stock possess an attractive P/E ratio of 11. Better yet, it offers a quarterly dividend of $0.438 per share. That represents a solid 4.5% yield.

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