



New Investors: Get Your Share of Dividend Income Now!

Description

There are different investment strategies out there. Some even suggest frequency or day trading to aim to make profits quickly. Many new investors would just love to spend their time more meaningfully, doing what they love.

Surely, there must be a better investing strategy that will lead to surer returns with little involvement from investors, right? Every year, dividend stocks pay out billions of dollars in dividend income to their shareholders. You can get your share of dividend income starting now!

Here are some of the best dividend stocks you can own on the **TSX**. And they pay shareholders well.

Get a safe 5.7% yield

TC Energy ([TSX:TRP](#))([NYSE:TRP](#)) paid out more than \$3.1 billion of dividend income last year! Interest rates are so low that it makes the dividend stock's yield of close to 5.7% amazingly compelling for income seekers.

TC Energy is a large and stable energy infrastructure company. In the first half of the year, it saw a 6% jump in comparable earnings per share to \$2.23. Its comparable EBITDA made a marginal improvement to \$4,738 million, while its comparable funds from operations climbed 4% to \$3,777 million.

It is working on a \$21 billion commercially secured capital program through 2025 that positions the company for continued stable growth. Currently, management expects to continue growing its dividend by about 5-7% per year.

The dividend stock is discounted by about 11%, which should drive long-term total returns of close to 12% per year.

A blue-chip bank for a nice yield

Bank of Nova Scotia ([TSX:BNS](#))([NYSE:BNS](#)) paid out more than \$4.5 billion of dividend income in fiscal 2020. After a +70% rally from the pandemic market crash bottom, the bank stock has been trading sideways since March.

Notably, BNS stock remains one of the cheapest banks you can buy with one of the biggest yields. Therefore, investors who focus on earning income today embrace the stock with open arms.

At \$78 and change per share, it trades at an estimated price-to-earnings ratio of about 10.3 this year. It also pays a safe yield of nearly 4.6%. The big dividend alone results in a much better return from a long-term investment than the best five-year GIC rate of 2.3%.

Additionally, the dividend stock is discounted by about 10%, which should allow for some valuation expansion that will contribute to price appreciation. Long-term total returns of approximately 10% per year are possible.

The Foolish investor takeaway

Smart Canadians are earning passive income from blue-chip dividend stocks as a part of their diversified investment portfolios. You should get your share of dividend income, too!

You don't need much savings to get started. Gone are the days in which Canadians need to save for months to make the trading fee worthwhile. Thanks to commission-free \$0 trading and the ability to buy fractional shares with [Wealthsimple](#), it is as easy as ever now for new investors to start investing with whatever amount they have.

It's best to combine dividend investing with value investing. Learn more about [investing strategies](#).

Oh, and if, for whatever reason, you're not ready to invest in dividend stocks yet, feel free to also invest in exchange-traded funds on the Wealthsimple platform with free trades!

CATEGORY

1. Investing
2. Stocks for Beginners

TICKERS GLOBAL

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2. NYSE:TRP (Tc Energy)
3. TSX:BNS (Bank Of Nova Scotia)
4. TSX:TRP (TC Energy Corporation)

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Author

kayng

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