3 Boring But Fantastic Dividend Stocks to Buy Today

Description

While exciting, volatile stocks might have the potential to make you rich fast, the chances are relatively slim. Boring but reliable dividend stocks, on the other hand, could indeed make you rich if you invest a decent amount and give them enough time. There are many such boring but fantastic dividend stocks. Here are three that you might want to consider before others.

An energy giant

Enbridge (TSX:ENB)(NYSE:ENB) is not just *an* energy stock; it's *the* energy stock in Canada and the largest energy company in the country that operates an extensive pipeline network across North America. But investors love Enbridge for more reasons than simply its leadership position in the energy sector and its relatively safe pipeline business.

Enbridge is loved by its investors primarily because of its dividends. The generous 6.6% yield is more an effect of its sizeable payout increases and less a by-product of valuation drops, which is about 5% away from reaching its pre-pandemic peak. The long-term Dividend Aristocrat didn't just sustain, but also grew its payouts during one of the worst years for the energy sector (2020).

A telecom giant

Thanks to the oligopoly, giants like **BCE** (TSX:BCE)(NYSE:BCE) face relatively little competition within the telecom sector. That promises relatively stable income and steady growth opportunities, which have only grown since the rollout of 5G. The 5G technology is expected to be the next big thing in the global telecom business and is expected to tie with other revolutionary technologies like the Internet of Things (IoT).

This stability is one of the reasons why BCE didn't fall too hard during the market crash. The stock dipped about 26%, and it's already 2.8% higher than its pre-pandemic peak. But even the impressive 40% growth since the crash hasn't affected the yield too much, which is still 5.4%. And since BCE is also a Dividend Aristocrat, you can expect your payouts to keep growing in the foreseeable future.

An asset management company

Brookfield Asset Management (TSX:BAM.A)(NYSE:BAM), with its market capitalization of $107 billion, is one of the largest companies currently trading on the **TSX**. And it's also a dividend stock that's more attractive because of its capital growth potential than its dividends. The company offers a very small 0.76% yield, which is too small to move the needle in the company's favour.

The boring aspect of this stock comes from its reliable capital growth potential. The stock has been growing quite consistently for the last decade and offers a 10-year compound annual growth rate (CAGR) of 21%, which is quite an attractive number, especially compared to the paltry yield. And even though the stock is a bit overpriced, it's a steal at its current value if it manages to maintain its growth rate for the next two or three decades.

Foolish takeaway

The two Dividend Aristocrats, Enbridge and BCE, are typical boring aristocrats that are currently offering amazingly high yields. And if you buy now, you can lock in these current yields. While the two might not offer appreciable growth potential, you can balance it out with Brookfield Asset Management, a dividend stock that's a better buy for its growth than the dividends.

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