3 Canadian Dividend Stocks to Watch This Month

Description

Passive-income investors have their choice of dividend stocks on the **TSX**. Whether you're looking for a long payout streak or a high yield, there's a dividend stock fit for your portfolio. Even if you're after market-beating growth on top of a dividend, the Canadian stock market has you covered.

With the market trading near all-time highs, I'm looking to add some value-oriented dividend stocks to my portfolio. In addition to providing passive income in what may be a volatile upcoming few months, these three companies can help reduce some risk in your portfolio — especially if you're over-indexed towards high-growth tech stocks, like I am.

One of the longest dividend streaks around

There are more reasons than just passive income to have a Canadian bank on your watch list. The Big Five all own impressive yields and some of the most reliable dividends you'll find on the TSX.

At today's price, **Bank of Nova Scotia's** (TSX:BNS)(NYSE:BNS) 4.5% dividend yield has it ranked as the highest among the Big Five. Not only that, but it's been paying a dividend out to shareholders for close to 200 years.

If passive income is your sole objective, this dividend stock is a solid choice. You won't find many other dividends this reliable that also yield above 4%.

On top of that, I'd argue that Bank of Nova Scotia's stock price is undervalued right now. At a forward price-to-earnings ratio of barely over 10, it's trading at a bargain price. Now could be an opportunistic time to start a position in this dividend stock.

A reliable dividend stock you can count on quarter after quarter

If you're more focused on defensiveness and reducing risk, **Fortis** (TSX:FTS)(NYSE:FTS) might be a better fit.

The $25 billion company is a leader in the utility industry. Utility stocks tend to be low-volatile investments due to the nature of the business. Predictable revenue streams help keep earnings stable and volatility low.

At an annual payout of $2.14 per share, the dividend stock yields above 3.5% at today's stock price. It might not be able to match Bank of Nova Scotia's yield and payout track record, but you're not only buying Fortis for the dividend. It's the additional benefits, such as risk reduction, that should have this dividend stock on your radar.

Investing in the growth of 5G technology

We're still at the beginning stages of the growth of 5G technology. There are many ways for Canadians to invest in that growth, including telecommunication stocks.

Up 30% over the past five years, **Telus** (TSX:T)(NYSE:TU) has lagged the market's returns. Over the next decade, though, I'm betting that the dividend stock will return delivering market-beating gains.

It's not only the growth potential of 5G that should have Telus shareholders bullish about the future.

The company is gaining market share in the growing telemedicine industry. Formally known as Babylon, TELUS Health MyCare's product line only continues to grow alongside the demand for telemedicine services.

While investors patiently wait for the growth to return, there's a top dividend to earn passive income from. Telus's dividend yields a whopping 4.5% at today's stock price.

If you're in search of a dividend stock with market-beating growth potential, I'd strongly suggest Telus.

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