



3 Top Canadian Stocks to Buy in November for Yields of +5%

Description

Do you want to generate income? Here are three of the top Canadian stocks you can buy in November for yields of more than 5%.

Suncor stock offers a 5.1% yield

With energy prices being materially higher than before, investors have been much more bullish on **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)) stock. The energy stock has made a big comeback by appreciating 136% from its pandemic market crash low. Moreover, the company has restored its quarterly dividend to the 2019 levels.

With the updated quarterly dividend, the annualized payout of \$1.68 per share equates to a yield of almost 5.1%. Importantly, the energy stock still trades meaningfully below the pre-pandemic levels. Over the near to medium term, [Suncor stock](#) has about 27% upside potential from the recent quotation of approximately \$33 per share.

Enbridge stock yields 6.4%

If you're not as bullish about energy prices, **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) is a more stable energy stock for income. Because of its low-risk business model, its cash flow is resilient through market cycles. This is why it has increased its dividend for 25 consecutive years and paid dividends every year since 1952!

Since the pandemic market crash low, Enbridge stock has climbed approximately 64%. Higher energy prices are also nudging the energy stock higher. Because it provides critical energy infrastructure in North America and acts as toll roads for oil and gas transportation and distribution, Enbridge is a defensive energy stock to own for an income portfolio. Despite the run-up, fairly valued ENB stock still offers a juicy yield of almost 6.4%.

BCE stock yields 5.5%

When it comes to current income, you can't miss big telecom stocks like **BCE** ([TSX:BCE](#))([NYSE:BCE](#)). The telecom has paid a dividend for more than a century! It has a 12-year dividend-growth streak that has been through a market cycle.

BCE's diversified business across wireline, wireless, and media allows the company to generate substantial cash flow to support its growing dividend. In the trailing 12 months, the big telecom stock generated \$3.4 billion of free cash flow. Consequently, it had \$227 million cash flow left over after capital spending and paying for dividends.

The dividend stock recently dipped. At about \$64 per share, the fairly valued stock offers a nice yield of close to 5.5%.

The Foolish investor takeaway

The key to making money from high-yield dividend stocks such as Suncor, Enbridge, and BCE is to hold on to the shares for the income. Investing the same amount in the three stocks today would yield almost 5.7%. If you invest \$3,000 in each of the stocks, you would earn roughly \$510 of dividends in total in the first year. The stocks could increase their payouts by at least twice the inflation rate in the foreseeable future to more than maintain your purchasing power.

[Dividend stocks](#) aren't equal. Among the three stocks, Suncor stock requires the most attention. In fact, it would be wise to aim to buy low and sell high and consider its dividend as a bonus, given that it was forced to cut its dividend during the pandemic.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:ENB (Enbridge Inc.)
3. NYSE:SU (Suncor Energy Inc.)
4. TSX:BCE (BCE Inc.)
5. TSX:ENB (Enbridge Inc.)
6. TSX:SU (Suncor Energy Inc.)

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. kayng
2. kduncombe

Category

1. Dividend Stocks
2. Investing

Date

2025/08/27

Date Created

2021/11/02

Author

kayng

default watermark

default watermark