



## Soak Up Growing Dividends for More Income Streams in 2022

### Description

An ideal [income portfolio](#) is that with growing dividends. With inflation rising fast and the rate projected to be higher in 2022, it would be best to prepare. Soak up dividends by moving to assets that deliver growing income streams. You can [cope with high inflation next year](#) with **TC Energy** ([TSX:TRP](#))([NYSE:TRP](#)) and **Emera** ([TSX:EMA](#)).

Investors must always consider [inflation risks](#) when building a stock portfolio. Buying power reduces when the rate is high. The energy stock and utility stock have proven track records in withstanding inflation and overcoming market fluctuations. You'd have the advantage of receiving growing income streams, notwithstanding the price volatility.

### Utility-like nature

The competitive advantages of TC Energy are the following: diversified high-quality assets, financial strength, and dividend growth. The \$65.42 billion energy infrastructure company has a stable network of natural gas and crude oil pipelines. Besides the pipelines, it operates storage facilities and power-generation plants. The customers are in Canada, the U.S., and Mexico.

Management's goal is to leverage the size and scale of TC Energy's energy network and trading platform to become a reliable carbon-free energy source. North America's industrial, natural gas and oil sectors will have access to complete energy solutions.

Despite the 23% drop in net income in Q2 2021 versus Q2 2020, management said it was a strong showing and reflected the utility-like nature of the business. TC Energy generated \$1.8 billion in funds from operations during the quarter. Among the business highlights is the partnership with **Pembina Pipeline** to develop a carbon transportation and sequestration system in Alberta jointly.

François Poirier, TC Energy's president and CEO, said the company has successfully advanced its current slate of secured projects and other organic growth opportunities. It should support the annual dividend-growth target of between 5% to 7%. This energy stock has increased its dividends for 21 consecutive years. At \$66.83 per share, the yield is 5.18%.

## Suitable for defensive investors

Emera in the utility sector is resilient as ever and suitable for defensive investors. Current investors enjoy an 11.46% year-to-date gain (\$57.60 per share) in addition to the 4.59% dividend. The \$14.8 billion regulated electric utility company is an energy leader. It's been operating for 23 years and serving over 2.5 million end-users in Canada, the U.S., and the Caribbean.

The balanced and well-diversified portfolio consists of high-quality utilities from 10 regulated companies. Emera's financial shape is looking good after the first half of 2021. Adjusted net income attributable to common shareholders increased 22.2% to \$381 million compared with the same period in 2020.

Would-be investors must know that Emera increased its annual common share dividend on September 24, 2021. The good news is that management has extended its dividend-growth rate target of 4-5% through 2024. Emera's pursuit of and investments in growth opportunities continues.

Scott Balfour, Emera's president and CEO, said, "These investments are expected to continue to drive cash flow and EPS growth, which supports the increase in our dividend for 2022 and the extension of our dividend-growth target."

## Great income portfolio

As 2021 winds down, build a great income portfolio to include TC Energy and Emera. Be among the investors that have been receiving growing income streams since taking positions in both stocks.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:TRP (Tc Energy)
2. TSX:EMA (Emera Incorporated)
3. TSX:TRP (TC Energy Corporation)

### 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. cliew
2. kduncombe

#### **Category**

1. Dividend Stocks
2. Energy Stocks
3. Investing

#### **Date**

2025/07/21

#### **Date Created**

2021/11/05

#### **Author**

cliew

default watermark

default watermark