



## The 3 Best Canadian Dividend Stocks to Buy in 2021

### Description

Canada is renowned for its plethora of high-quality dividend stocks. With interest rates so low, stocks are one of the best ways to earn [passive income](#). Cash, savings accounts, and GICs are earning negative returns after inflation. Fortunately, stocks can serve as a good hedge against the value-defeating effects of inflation. Here are three top Canadian stocks I would buy in 2021 for a great mix of dividend growth and capital gains.

### A top dividend-growth stock

**Brookfield Infrastructure Partners** ([TSX:BIP.UN](#))([NYSE:BIP](#)) is not necessarily the cheapest dividend stock you can find. Yet, in my opinion, you sometimes have to pay up for quality. Brookfield is generally known for its strong, prudent investment expertise.

Over the past decade, this company has built up an enviable portfolio of economically crucial infrastructure assets. This includes ports, railroads, export terminals, pipelines, power lines, cell towers, and data centres. Yesterday, it announced [very strong third-quarter results](#). Net income rose to \$413 million. Funds from operation grew 16% year-over-year based on 9% organic growth.

It just acquired 100% of Inter Pipeline's shares. Given the strong energy environment, this business should really kick out some strong cash flow growth going forward. Today, Brookfield Infrastructure pays a 3.6% dividend yield. This company has a very strong history of ~10% annual dividend growth. Given its strong future organic and acquisition growth, chances are good that it could continue this going forward!

### Passive income from real estate

Another attractive dividend stock I would buy today is **Dream Industrial REIT** ([TSX:DIR.UN](#)). It announced third-quarter results yesterday. This real estate stock continues to outperform the market's expectations. Funds from operation per unit rose 25% over last year to \$0.22. Likewise, its net asset value soared 18.8% year over year.

Right now, industrial real estate is in incredibly high demand across the world. Consequently, Dream Industrial is seeing a +20% rental rate growth across the board. Likewise, its occupancy has now risen to 98%.

This dividend stock has one of the best balance sheets in the Canadian real estate sector. As a result, it has been able to acquire nearly \$2 billion of logistics, warehousing, and distribution properties over the past two years. This dividend stock pays a 4.1% yield. Based on strong cash flow growth going forward, I wouldn't be surprised if its dividend payout was raised soon.

## A Dividend Aristocrat

If you are worried about market volatility, **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) is a great dividend stock to just buy and hold. Since September, its stock is down 5%. With a dividend yield approaching 4%, it looks pretty attractive right now.

Fortis operates a very high-quality network of regulated gas and electric transmission assets. Last week, it announced solid earnings that were in line with the market's expectations. Similarly, Fortis announced a new five-year capital plan with a vision for a 6% rate base growth all the way to 2026. It also reaffirmed that it continues to expect that its dividend can grow on average by 6% annually through 2025.

Fortis is a top Dividend Aristocrat. It has raised its dividend for 48 consecutive years. Its management team has a very good track record of delivering what it promises for shareholders. Fortis is a low-beta stock with stable growing income streams. This is one dividend stock can buy, hold, and sleep easy at night with. For that, it is a top stock on [my best buy list](#)!

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. NYSE:FTS (Fortis Inc.)
3. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
4. TSX:DIR.UN (Dream Industrial REIT)
5. TSX:FTS (Fortis Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin

3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News

#### **PP NOTIFY USER**

1. arosenberg
2. robbybrown

#### **Category**

1. Dividend Stocks
2. Investing

#### **Date**

2025/08/19

#### **Date Created**

2021/11/05

#### **Author**

robbybrown

default watermark

default watermark