



## 3 Blue-Chip Dividend Stocks to Buy Today

### Description

Investing in [dividend stocks](#) is an easy way for investors to build passive income. By collecting enough shares of solid dividend-paying companies, you can supplement and eventually even replace your primary source of income. I've personally been looking at dividend stocks to add to my own portfolio. I've settled on these three stocks as being some of the highest quality in Canada. Here are three blue-chip dividend stocks to buy today.

### This company has a massive moat

The Canadian railway industry is dominated by two companies. Both have been around for over a hundred years and show no signs of losing ground in that field. While I think both companies are solid choices, I've chosen to focus on **Canadian National Railway** ([TSX:CNR](#))([NYSE:CNI](#)) in this article. Canadian National operates the largest rail network in Canada. The company's railway lines span from British Columbia to Nova Scotia and as far south as Louisiana.

When investing in public companies, sometimes it's worthwhile taking a look at who the largest shareholders are. In the case of Canadian National, the Bill and Melinda Gates Foundation is one of the largest stakeholders. The Foundation's ownership stake accounts for nearly 2% of the company and more than 6% of its entire investment portfolio.

Canadian National is a Canadian Dividend Aristocrat, having increased its dividend for the past 25 years. Currently, its forward dividend yield is fairly low (1.51%). However, a low payout ratio of 36.5 suggests that the company has sufficient room to continue increasing its dividend in the future.

### Another company with a safe position as an industry leader

If you're interested in a company with a similarly dominant moat, consider one of the Big Five Canadian banks. The highly regulated nature of the Canadian banking system makes it difficult for smaller competitors to surpass the industry leaders. Of that group, my top choice is the **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)).

What interests me about this company is the fact that it has the potential to grow massively in the next coming years. Unlike its peers, Bank of Nova Scotia has invested a significant amount of capital in building its business in developing countries. No other Canadian bank has a presence as significant in the Pacific Alliance. This is a region that includes Chile, Columbia, Mexico, and Peru. It's estimated that the Pacific Alliance will grow at a faster rate than Canada and the United States in the coming years due to a growing middle-class.

Another Canadian Dividend Aristocrat, Bank of Nova Scotia holds a nine-year dividend growth streak. It offers a very attractive forward dividend yield (4.32%). The company maintains a decent payout ratio of 50.35%.

## It doesn't get much better than this

When it comes to an ability to raise dividends, few companies can compare to **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)). The company claims the second-longest active [dividend growth streak](#) at 47 years. It is a provider of regulated gas and electric utilities to 3.4 million customers across Canada, the United States, and the Caribbean. The fact that its business remains in high demand regardless of the economic condition makes it recession-proof. It could also be a reason for its ability to remain a superior dividend payer.

Fortis offers investors a modest forward dividend yield of 3.81%. It maintains a higher payout ratio of 76.81%. However, that isn't uncommon among utility companies. Fortis's ability to continue raising dividends for nearly five decades should be enough to persuade investors.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. NYSE:CNI (Canadian National Railway Company)
3. NYSE:FTS (Fortis Inc.)
4. TSX:BNS (Bank Of Nova Scotia)
5. TSX:CNR (Canadian National Railway Company)
6. 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. jedlloren

#### **Category**

1. Dividend Stocks
2. Investing

#### **Date**

2025/07/04

#### **Date Created**

2021/11/16

#### **Author**

jedlloren

default watermark

default watermark