



## 2 Top TSX Dividend Stocks to Buy Right Now

### Description

Canadian pensioners and those building their [retirement](#) fund are searching for top TSX dividend stocks to add to their [TFSA or RRSP](#) portfolios.

### Pembina Pipeline

**Pembina Pipeline** ([TSX:PPL](#))([NYSE:PBA](#)) is a leading player in the midstream [sector](#) of the Canadian energy industry. The company provides oil and gas producers with an array of essential services that enable them to get their products to customers.

Pembina Pipeline has grown steadily over the past 65 years through a combination of strategic acquisitions and development projects to create a one-stop shop for its clients. Management has a track record of being aggressive when trying to buy key assets. Sometimes the deals go through, and sometimes Pembina doesn't win the bid, as happened with its effort to buy Inter Pipeline last year.

The company has a \$655 million capital program in place for 2022. Adjusted EBITDA is expected to be a solid \$3.35 to \$3.55 billion. Management expects cash flow from operating activities to significantly outpace the dividend payments and the capital investments. As a result, the first \$200 million in excess cash is being directed to share buybacks, and the rest will go to new projects, debt payments, or an increase in the dividend.

The stock looks [undervalued](#) at the current price near \$40 per share. Pembina Pipeline traded for \$53 before the pandemic. Investors who buy at the current level can pick up a 6.3% dividend yield.

### Telus

**Telus** ([TSX:T](#))([NYSE:TU](#)) is currently the second-largest operator in the Canadian communications industry. The company offers mobile, internet, and TV services to its residential and business customers across the country. Telus doesn't own a media division, but it has interesting subsidiaries that possess the potential to drive strong long-term revenue growth and boost shareholder value.

Telus Health is already a leading provider of digital health services to doctors, insurance companies, and hospitals. The group saw strong demand for its virtual care services during the pandemic, and the trend is expected to continue, as people become more comfortable with online appointments with healthcare specialists.

Telus Agriculture uses tech solutions to help farmers make their businesses more efficient. The division saw strong revenue growth last year and has attractive growth potential.

Telus reported good Q3 2021 results, and the Q4 numbers should also be solid. Looking ahead, the anticipated rebound in business and holiday travel in the second half of 2022 could drive up lucrative roaming fees for the mobile division.

Telus is also completing its copper-to-fibre conversions and expanding its [5G](#) network. Heavy capital outlays should peak in 2022 or 2023. This means more cash flow should be available for dividends in the following years.

Telus raised the payout by more than 5% last fall. The company has a great track record of dividend growth, and the payout currently provides a 4.4% annualized yield.

## The bottom line on top TSX dividend stocks

Pembina Pipeline and Telus pay generous dividends for investors seeking reliable passive income or those looking to boost the size of a retirement portfolio. The stocks should deliver attractive total returns in the coming years and deserve to be on your radar right now for a self-directed TFSA or RRSP fund.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:PBA (Pembina Pipeline Corporation)
2. NYSE:TU (TELUS)
3. TSX:PPL (Pembina Pipeline Corporation)
4. TSX:T (TELUS)

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