



2 Top Canadian Dividend Stocks to Buy Yielding at Least 5%

Description

[Dividend stocks](#) are always excellent investments. However, during periods of volatility and tightening monetary policy, top Canadian dividend stocks that investors can rely on are some of the best to buy.

It's crucial to ensure that the companies you own can operate in the current economic environment. Rapidly rising costs are impacting many businesses at the moment.

But those high-quality companies in defensive industries that pay an attractive dividend are certainly some of the best to consider today. So if you're looking for a top Canadian dividend stock to buy, here are two of the best that each yields at least 5%.

One of the top Canadian dividend stocks to buy in the energy sector

One of the very best Canadian dividend stocks to buy, with top-notch operations and a highly defensive business model, is **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)). Enbridge is a massive energy infrastructure giant with a market cap north of \$100 billion. The company is so large, and its operations are so crucial to North America's economy, that it's easily one of the top Canadian dividend stocks to buy.

Not only does it transport up to a quarter of all the oil produced in North America and gas consumed in the U.S., but because it has such a dominant position in its industry, an industry with massive barriers to entry, it's an incredibly reliable investment.

Plus, because pipeline and other energy infrastructure are typically long-life assets, Enbridge is a cash cow that brings in tonnes of free cash flow.

So, in addition to paying a dividend that currently [yields](#) upwards of 6.4%, it's also consistently investing in growth, another reason it's one of the top Canadian dividend stocks to buy now.

And with much of that growth focused on growing its green energy portfolio, Enbridge has shown that it's looking to the future. So if you're looking for a high-quality, high-yield dividend stock to buy now, Enbridge is easily one of the best.

A restaurant royalty stock with recovery potential

In addition to Enbridge, another top Canadian dividend stock to buy now is **Boston Pizza Royalties** ([TSX:BPF.UN](#)).

Boston Pizza Royalties would typically be a stock that caters solely to dividend investors. The fund earns a royalty on all the sales from Boston Pizza restaurants in its royalty pool. It then aims to pay all this cash back to investors, net of any fees.

So typically, unless Boston Pizza restaurants are growing more popular and improving their same-store sales growth, the stock will trade flat and return most of its income to investors in the form of a distribution.

However, because it was so badly affected by the pandemic and capacity restrictions for restaurants, Boston Pizza today also offers significant upside in the price of its units. This is why it's one of the top Canadian dividend stocks to buy now.

Right now, the annual dividend is \$1.02, giving Boston Pizza an attractive yield of roughly 6.35%. However, prior to the pandemic, Boston Pizza was paying out an annual dividend of \$1.22, roughly 20% more than today.

So as Boston Pizza recovers over the coming months as we head into the summer and continue to work past the coronavirus, investors of Boston Pizza could see the passive income they receive grow, at the same time that the fund grows in value.

Therefore, if you're looking for a top Canadian dividend stock to buy now, Boston Pizza is one of the best to consider.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. TSX:BPF.UN (Boston Pizza Royalties Income Fund)
3. TSX:ENB (Enbridge 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. danieldacosta
2. jguest

Category

1. Dividend Stocks
2. Investing

Date

2025/08/22

Date Created

2022/02/25

Author

danieldacosta

default watermark

default watermark