



## 3 Canadian Stocks to Buy That Will Shower You in Dividends

### Description

When you buy an investment that can grow in value but also return you a tonne of passive income, it creates several opportunities for your portfolio. That's why finding high-quality Canadian dividend stocks to buy for your portfolio is so crucial.

Of course, earning a high yield is always something that's appealing. However, it's also important to find dividend stocks that will increase their payouts as well.

With [inflation](#) so high, it's a reminder that we always need to be earning more money and at least be outpacing the gain in prices.

So if you're looking to add Canadian dividend stocks to your portfolio today, here are three of the best to buy now.

### One of the best Canadian dividend stocks to buy on the TSX

There are several high-quality dividend stocks for Canadian investors to buy, but one of the very best is the massive \$100 billion energy giant, **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)).

Enbridge is one of the best Canadian stocks to buy because it's essential to the North American economy. Enbridge transports roughly 30% of the crude oil produced in North America and nearly 20% of the natural gas consumed in the U.S., making it a crucial business.

In addition to this resiliency, though, the stock is a cash cow. Its long-life and defensive assets mean that the company is consistently bringing in tonnes of cash. And because these assets require little maintenance, Enbridge can spend its capital on growth and increasing the [dividend](#).

In fact, for more than a quarter-century, it's consistently increased the dividend every single year, including the two years through the pandemic.

So if you're looking for top Canadian dividend stocks to buy now, Enbridge currently offers an

impressive yield of 5.9%.

## A top royalty stock made for passive income seekers

If you're looking to get showered in dividends, one of the best Canadian stocks to buy is **Pizza Pizza Royalty** ([TSX:PZA](#)).

Pizza Pizza stock earns a royalty from all the Pizza Pizza and Pizza 73 restaurants in its royalty pool. Because there are hundreds of restaurants it receives a royalty from, these sales are typically predictable and flat from year to year.

This makes Pizza Pizza an ideal investment for passive income seekers because it offers a high yield and is a simple business to understand.

It's also proven over the last couple of years that out of all its restaurant and royalty stock peers, Pizza Pizza is undoubtedly one of the most resilient.

So if you're looking for high-quality Canadian stocks to buy that will shower you in dividends, Pizza Pizza currently provides a yield of 5.6%.

## One of the top-performing dividend stocks to buy now

Lastly, a stock that's had an incredible performance over the last 12 months and continues to offer tonnes of potential for investors is **Freehold Royalties** ([TSX:FRU](#)).

Freehold collects a royalty from energy companies producing oil and gas on its land. It's a stock that offers investors a lower-risk way to gain exposure to rapidly rising energy prices.

So while the stock has grown significantly in value over the past couple of years, it's the dividend that makes Freehold such a compelling investment.

Freehold is one of the best Canadian dividend stocks to buy because it currently offers a yield of 6.5%, with a dividend that's extremely safe. Not only is Freehold's payout ratio at the low end of its target range (60%), but investors could continue to see more dividend increases through the rest of the year.

And if the industry continues to see these tailwinds and continues to rally, the potential for Freehold could be enormous.

So if you're looking for the best Canadian dividend stocks to buy now, Freehold should certainly be one of the first stocks you consider.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)

2. TSX:ENB (Enbridge Inc.)
3. TSX:FRU (Freehold Royalties Ltd.)
4. TSX:PZA (Pizza Pizza Royalty Corp.)

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