3 Canadian Dividend Stocks for Easy Passive Gains in 2022

Description

Having an additional source of income is never a bad idea. If you're looking to build one for yourself, dividend stocks are one of your best bets. And fortunately, Canadian investors can have their pick on the **TSX**, which has no shortage of dependable dividend-paying companies to choose from

Here are three top dividend stocks that any passive-income investor would be wise to have on their radar.

Dividend stock #1: Fortis

There are several great reasons why a Canadian investor would want to own shares of **Fortis** (TSX:FTS)(NYSE:FTS).

In addition to driving passive income, the utility stock can also provide a portfolio with defensiveness. Utility companies are far from exciting, but they can help balance out a portfolio during inevitable times of volatility, which we've seen plenty of as of late.

At today's stock price, Fortis's annual dividend of 3.11 yields just shy of 3.5%.

It's not the highest yield you can find on the TSX. But when you factor in the stability that the company can provide a portfolio, this is a top pick for passive-income investors.

Dividend stock #2: Royal Bank of Canada

Passive-income investors can't go wrong with owning any of the Big Five. On top of paying top dividend yields, the major Canadian banks also own some of the longest payout streaks around.

Nearing a market cap of $200 billion, **Royal Bank of Canada** (TSX:RY)(NYSE:RY) is the largest publicly traded company in Canada. The bank has been a consistent dividend payer and market-beating stock for decades.

RBC's 3.5% dividend yield doesn't rank it as the highest amongst the Big Five. It also doesn't own the longest payout streak. Where the bank does separate itself from its peers, though, is its growth.

Excluding dividends, shares of the dividend stock are up more than 40% over the past five years. Once you factor in dividends, there's no question that the bank has been a market beater in recent years.

RBC may be trading near all-time highs, but it's still far from an expensive stock. The bank stock is currently valued at a forward price-to-earnings ratio of barely over 10. For that price, not many other TSX stocks can offer what RBC can.

Dividend stock #3: Telus

Last on my list is the highest yielding of the three dividend stocks. I'd also argue that it has the most growth potential in the coming decade.

Telus's (TSX:T)(NYSE:TU) annual dividend of $1.31 per share is good enough for a yield of close to 4% at today's stock price.

The dividend stock has been riding a strong bull run since early 2021. Shares are up more than 30% over the past 12 months, doubling the returns of the Canadian market. And that's not even including dividends.

An annual growth rate of 30% may be unrealistic to continue, but I don't think Telus will begin lagging the market's returns anytime soon. We're still very early in the expansion of 5G technology, which will likely result in a surge in demand for the company's telecommunication services for years to come.

For passive-income investors looking for some growth as well, Telus would be one of my top choices.

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2. NYSE:RY (Royal Bank of Canada)
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Date
2025/08/24
Date Created
2022/04/10
Author
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