3 Dividend Stocks You Can Buy Without Hesitation Today

Description

Investors are coming off one heck of a week in the stock market. All seemed to be going well until Thursday morning, which is when the market began selling off. Even after trading positive from Monday through Wednesday, the **S&P/TSX Composite Index** ended last week down more than 3%.

But despite all of the volatility this year, the Canadian stock market is trading just about flat in 2022.

Investing in dividend stocks

I've got a couple of dividend stocks on my watch list today, because I don't think we're done with this volatility just yet. Typically, I'm more of a growth-oriented investor, but I'm looking to add some passive income to my portfolio to help offset some of the market's volatility.

For anyone looking to build a dependable stream of passive income, here are three top dividend stocks to start with.

Algonquin Power

When it comes to dependability, you'll be hard-pressed to find many better choices than **Algonquin Power** (TSX:AQN)(NYSE:AQN). The Canadian utility leader can provide a portfolio with both defensiveness and passive income, which is perfect for today's volatile environment.

The defensiveness comes from the dependable nature of the utility business. It may not be an exciting sector but investing in utility stocks is a great way to lower volatility in a portfolio.

With regards to passive income, Algonquin Power pays a top dividend today. The company's annual dividend of $0.86 per share is good enough for a yield of close to 4.5% at today's stock price.

Anyone that's over-indexed towards high-growth tech stocks might want to consider putting this dividend stock on their watch list.

Bank of Montreal

Bank of Montreal (TSX:BMO)(NYSE:BMO) might not yield above 4%, but it's got a payout streak that's tough to match. The Canadian bank has been paying a dividend to its shareholders for close to 200 consecutive years.

Bank of Montreal is no match for Algonquin Power's defensiveness but the bank is no slouch. The banking sector has been one of the most dependable areas of the Canadian stock market for decades. And I don't see that changing anytime soon, either.

I certainly wouldn't bank on multi-bagger growth for Bank of Montreal, but the Dividend Aristocrat is no stranger to outperforming the market. Not even including the bank's nearly 4% dividend yield, shares have outperformed the Canadian market over the past five years.

It's slow and steady for this bank stock. So, if a dependable stream of passive income is what you're after, Bank of Montreal is a solid choice.

Manulife

To cap off this basket of unexciting but dependable dividend stocks, is Canada's largest insurance provider, **Manulife** (TSX:MFC)(NYSE:MFC).

In addition to a top yield, the low price of this dividend stock is why it's a great buy today. Manulife's dividend yields just over 5% at today's stock price. But on top of that, shares are valued at a forward price-to-earnings ratio of less than 10.

Good luck trying to find another business of this quality with a valuation as low as that and a yield above 5%.

Foolish bottom line

Who said investing needs to be exciting? These three companies can provide a portfolio with both passive income and stability, which any investor could benefit from during today's volatile market conditions.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)

2. NYSE:BMO (Bank of Montreal)
3. NYSE:MFC (Manulife Financial Corporation)
4. TSX:AQN (Algonquin Power & Utilities Corp.)
5. TSX:BMO (Bank Of Montreal)
6. TSX:MFC (Manulife Financial Corporation)

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