3 High-Yielding Dividend Stocks to Boost Your Passive Income

Description

The rising geopolitical tensions, high inflation, and the expectation of multiple interest rate hikes have created volatility in the equity markets. However, the cash flows of some Canadian companies are resilient and continue to boost shareholders' value by paying dividends at healthy rates. So, income-seeking investors can invest in the following three high-yielding dividend stocks to earn stable passive income.

Enbridge

First on my list is **Enbridge** (TSX:ENB)(NYSE:ENB). The midstream energy company operates over 40 revenue-generating assets, with around 98% of its cash flows generated from regulated assets. So, its cash flows are resilient, thus allowing the company to pay a dividend uninterrupted for the last 67 years. The company has also increased its dividend at a CAGR of above 10% for the previous 27 years. Its forward yield currently stands at a healthy 5.87%.

Meanwhile, the rising energy demand has increased its asset utilization rate. It has also committed to making a capital investment of $5-$6 billion annually for the next three years, expanding its midstream assets. So, the rising demand for its services and capital investments could boost its cash flows in the coming quarters. The company's management expects its DCF/share to grow at 5-7% annually over the next three years. So, the company is well positioned to continue with its dividend growth. Meanwhile, the company's valuation also looks attractive, with its NTM price-to-earnings multiple standing at 19. So, considering all these factors, I believe Enbridge is an excellent buy for income-seeking investors.

BCE

Amid rising digitization and increased online shopping and learning, the demand for telecommunication services is growing. So, I have selected **BCE** (TSX:BCE)(NYSE:BCE), one of the three top telecom players in the Canadian space, as my second pick. Supported by its impressive fourth-quarter performance, the company had raised its quarterly dividend by 5.1% to $0.92/share in February, with its forward yield at 5.25%.

BCE surpassed its network expansion targets in 2021 by adding 1.1 million new fibre and wireless home internet connections while expanding its 5G service to more than 70% of the Canadian population. Meanwhile, the company plans to continue its accelerated capital-investment program to grow its fibre and 5G coverage while expecting to add 900,000 more fiber connections this year. These initiatives could increase the company's cash flows in the coming quarters, thus making BCE's dividend safe.

NorthWest Healthcare Properties REIT

With an impressive dividend yield of 5.96%, **NorthWest Healthcare Properties REIT** (TSX:NWH.UN) is my final pick. The REIT, which owns and operates 224 healthcare properties, enjoys higher occupancy and collection rate irrespective of the state of the economy. Its long-term contracts and government-supported tenants reduce vacancies, thus delivering stable and reliable cash flows. Further, a substantial percentage of its rent is inflation indexed.

Meanwhile, NorthWest Healthcare recently acquired 27 healthcare properties across the United States for $765 million. It also looks to expand its business in high-growth markets, such as Europe, Australia, and Canada. The company had also strengthened its balance sheet by raising around $172 million last month through secondary offerings. So, given its recession-free business model, stable cash flows, and a healthy dividend yield, NorthWest Healthcare could be an excellent addition to your portfolio in this uncertain environment.

CATEGORY

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2. Investing

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2. NYSE:ENB (Enbridge Inc.)
3. TSX:BCE (BCE Inc.)
4. TSX:ENB (Enbridge Inc.)
5. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

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