



## Sitting on Idle Cash? 4 Stocks to Earn Steady Yield Amid Volatility

### Description

The stock market remains volatile amid record-high inflation and rising interest rates. Moreover, supply concerns and geopolitical conflict remain a drag. Despite challenges, several TSX stocks continue to consistently pay a regular dividend and enhance shareholders' returns. So, if you have extra cash, consider buying these stocks to earn [a steady yield](#) amid volatility.

### Algonquin Power & Utilities

Utility companies are among the most reliable stocks for generating steady yields amid all market conditions. **Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)), with its low-risk business and regulated cash flows, is one such utility company that should be on your radar. It has consistently increased its dividend for more than a decade. Further, Algonquin stock offers a high yield of 4.9%.

Its \$12.4 billion capital program and strong investment pipeline will drive its rate base and earnings, which bodes well for future dividend payments. It projects its rate base to grow at a mid-teens rate annually through 2026. Furthermore, its earnings are forecasted to increase by 7-9% annually during the same period.

Its stable business, increased visibility over future earnings, and well-protected yield make it a solid investment amid volatility.

### TC Energy

Speaking of dependable stocks for consistent earnings, **TC Energy** ([TSX:TRP](#))([NYSE:TRP](#)) crops up in my mind. This energy infrastructure provider has raised its dividend for 22 consecutive years. Further, it offers an attractive yield of 5.1% and projects a 3-5% annual increase in its dividend in the coming years.

TC Energy generates about 95% of its adjusted EBITDA from the regulated and contracted assets, implying that its payouts are well covered and sustainable in the long term. Further, its \$24 billion

secured projects, long-life assets, energy transition opportunities, and a conservative dividend-payout ratio support my outlook.

## Enbridge

**Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) is another top stock in the energy space to park your extra cash. It has been paying a dividend for nearly seven decades. Further, it raised its dividend at a CAGR of 10% for 27 years. To top it up, Enbridge stock offers a stellar [dividend yield of 6%](#).

Its diverse cash flow streams, contractual arrangements, high asset utilization rate, and inflation-protected EBITDA indicate that its payouts are protected well. Furthermore, the recovery in its mainline volumes, strong energy demand, multi-billion secured capital program, revenue inflators, and focus on productivity savings will likely support its future distributable cash flow (DCF) per share and dividend payments.

It forecasts a 5-7% annualized growth in its DCF/share over the next two years, implying that its dividend could grow in line with it.

## Fortis

This list will not be complete without mentioning **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)). The utility giant is a must-have stock for investors to generate worry-free income regardless of the market conditions. It owns diversified utility assets that account for 99% of its earnings, implying that its payouts are safe. Thanks to its solid cash flows, this utility company raised dividends for 48 consecutive years.

It projects its rate base to grow at a CAGR of 6% through 2026, which will drive its earnings and dividend. Fortis sees its annual dividend increasing by 6% through 2025, while it offers a solid yield of 3.5%.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:ENB (Enbridge Inc.)
3. NYSE:FTS (Fortis Inc.)
4. NYSE:TRP (Tc Energy)
5. TSX:AQN (Algonquin Power & Utilities Corp.)
6. TSX:ENB (Enbridge Inc.)
7. TSX:FTS (Fortis Inc.)
8. TSX:TRP (TC Energy Corporation)

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