



Looking for Reliable Dividend Income? 2 of the Best Stocks to Buy Now

Description

Successful investing requires diversification to help lower your risk. And while that applies to buying stocks from different [sectors](#) and industries, it also means that you'll want to own more reliable stocks alongside higher-growth companies. And right now, as the volatility in markets picks up, some of the best investments to buy and own are high-quality dividend stocks providing reliable passive income.

Owning dividend stocks can always be important, but especially when many stocks are falling in value, dividend income can become that much more attractive. So, if you're looking to shore up your portfolio and add a reliable passive-income generator, here are two of the best and safest dividend stocks that you can buy now.

A top Canadian real estate stock to buy for growing dividend income

Real estate has plenty of high-quality dividend stocks to consider, but one of the best to buy has to be **CT REIT** ([TSX:CRT.UN](#)).

CT REIT is primarily a retail real estate operator. The company is owned by and earns over 90% of its revenue from **Canadian Tire**, which is a major reason why it's such a reliable investment.

Throughout the pandemic, it was one of the most impressive and robust real estate stocks. And unlike many retail REIT peers, it didn't have to suspend or trim its distributions. In fact, CT REIT is a Canadian Dividend Aristocrat that continues to increase its distributions to investors annually.

Right now, the stock currently offers a yield of just under 5%. And if you're wondering how safe that distribution is, CT REIT is only paying out about 75% of its adjusted [funds from operations](#), a reliable payout ratio.

Therefore, in this market environment, there's no question that when you consider its reliability and the fact that it offers dividend growth, it's certainly one of the best stocks you can buy.

A safe utility stock offering an attractive yield

Another stock to buy that would actually be considered even safer than CT REIT is **Algonquin Power and Utilities** ([TSX:AQN](#))([NYSE:AQN](#)). Algonquin is one of the best dividend stocks you can buy today, considering that it's a Canadian Dividend Aristocrat, just like CT REIT, but also due to its valuation.

Algonquin is a utility stock that also generates renewable energy — two industries that are extremely robust. So, the fact that it's sold off recently offers investors an opportunity to buy a safe and dependable stock at an attractive discount, especially since it's naturally not a very [volatile](#) stock anyway.

Currently, Algonquin is trading right near its 52-week low and is roughly 13% off its 52-week high, giving investors an appealing entry point. At this level, with Algonquin hovering around \$17.50 a share, the utility and green energy stock offers a yield of more than 4.75%.

And right now, its payout ratio of earnings per share is about 95%. That's actually slightly higher than its target payout ratio of 80-90%. However, for a utility stock like Algonquin, with highly defensive operations and predictable revenue, it's still quite manageable.

Therefore, if you're concerned about the market and economic environment and want to buy the safest and highest-yielding dividend stocks, Algonquin is one of the best to buy now. Not only are its dividend payments reliable, but Algonquin is one of Canada's top dividend-growth stocks.

CATEGORY

1. Dividend Stocks
2. Investing

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2. TSX:AQN (Algonquin Power & Utilities Corp.)
3. TSX:CRT.UN (CT Real Estate Investment Trust)

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