



## 3 Canadian Dividend Stocks to Buy Now While They Still Offer High Yields

### Description

Canadian dividend stocks are some of the best to buy when the entire market is selling off. In this environment, high-quality dividend stocks can add more stability to your portfolio and will return cash you can use to buy more stocks.

Buying any stock [undervalued](#) is great and, of course, the goal of investors. But with dividend stocks, in addition to having more upside potential when they are cheap, they also offer higher yields.

If you're looking to add high-quality dividend stocks to your portfolio and boost your passive income, here are three stocks that you'll want to buy now while you can lock in some attractive [yields](#).

### This top Canadian utility stock has been trading with a yield above 5%

Utility stocks are some of the most defensive and least volatile stocks you can buy. So, in the current market environment, they are some of the top investments to make. And considering how cheap **Algonquin Power and Utilities** ([TSX:AQN](#))([NYSE:AQN](#)) has been lately, it's one of the best Canadian dividend stocks to buy now.

Because utilities are such strong companies with highly reliable income, they typically trade with lower dividend yields. **Fortis**, one of Algonquin's utility peers, currently has a yield of roughly 3.3%.

So, Algonquin, which currently offers a yield of more than 5% and should continue to grow its dividend at an equal or faster pace than Fortis over the next few years, looks highly attractive at these prices.

I'd look to buy Algonquin soon, though. The stock has been gaining value in recent trading sessions, and the dividend yield has been falling rapidly. If you're looking for some of the best Canadian stocks to buy, Algonquin is one I'd look to buy right now.

## A royalty stock that's perfect for dividend investors

Another excellent dividend stock that's recently pulled back from its highs and now offers an extremely attractive dividend yield of 6.3% is **Pizza Pizza Royalty** ([TSX:PZA](#)).

Pizza Pizza is one of the best Canadian stocks to buy now, because it's one of the best investments that dividend investors can make since the stock is constantly returning cash to investors every month.

The company is set up to constantly receive cash from its royalty pool of Pizza Pizza and Pizza 73 locations, which it pays tax on and then turns right around and returns to investors.

The sales are incredibly resilient. So, while there are concerns about how inflation may impact Pizza Pizza, the company is well positioned to weather the storm, and the impact investors will notice would likely be minimal.

Therefore, with the stock pulling back by nearly 15% off its high and offering an impressive yield of 6.3%, there's no question Pizza Pizza is one of the best Canadian dividend stocks to buy now.

## One of the best and most resilient Canadian dividend stocks to buy now

Although utilities are some of the safest stocks you can buy, usually consumer staples are some of the next best investments to consider. And right now, **North West Company** ([TSX:NWC](#)) offers a dividend yield above 4%. So, it's easily one of the best Canadian stocks to buy now.

Consumer staples can be high-quality investments because they sell essentials that consumers need to buy. Therefore, even if incomes are being affected, whether by a recession or by rapid inflation, if consumers are lowering their spending, it's usually not for staples such as food.

Consumer staple stocks can often pass along price increases to their customers. However, with inflation so significant today and several supply chain issues, some consumer staples are struggling in the current environment.

In recent years, North West has done a tonne of work to vertically integrate parts of its business and bring more costs in-house to try and improve margins. So, while there may be some risk with North West today, it should be able to weather the storm better than many of its peers and much better than most other Canadian stocks.

Therefore, with the stock trading more than 10% off its high, offering a yield of roughly 4% and due for a dividend increase in the near term, it's certainly one of the best Canadian stocks to buy now.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. TSX:AQN (Algonquin Power & Utilities Corp.)
3. TSX:NWC (The North West Company Inc.)
4. TSX:PZA (Pizza Pizza Royalty Corp.)

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