3 Dividend Heavyweights That Are Paying Big Money

Description

When you are building your dividend portfolio, you have a lot of choices. You can choose the high-yield stocks that might not get full marks for sustainability. Then you have aristocrats with minimal yields that are better choices from a capital-appreciation perspective.

However, at any given time, there are a decent number of dividend heavyweights that offer you a good mix of everything — yields, sustainability potential, dividend growth, and even capital appreciation if you hold on to them long enough. Three such stocks should be on your radar right now.

The telecom giant

The Canadian telecom sector is heavily consolidated, and the most prominent player by market cap is also the most generous dividend payer. **BCE** (TSX:BCE)(NYSE:BCE) is currently offering a juicy yield of about 5.33%. And even though it's a solid yield, it's pretty low compared to what it was offering until early 2021.

Apart from being a leader in the telecom sector, it's also a well-established Dividend Aristocrat. It has been growing its payouts for 13 years, and in the last decade, it has grown its payouts by about 65%. Annualized, that's 6.5%, enough to outpace the inflation by a decent margin. It also offers a decent capital-appreciation potential.

A financial holding company

Great-West Lifeco (TSX:GWO) is a financial holding company based in Canada but with businesses in three major markets: The U.S., Canada, and Europe, through four of its significant holdings. The number of assets under management (AUM) of over two trillion makes it comparable to some of the country's largest financial institutions and giants.

From a growth perspective, Great West would have been an excellent investment in the century's first decade. In the last 10 years, the stock has been a shaky grower, to say the least. However, its 5.8%

yield, sustained by the healthy 54.2%, is reason enough to consider this investment, especially at its current undervalued state.

The energy giant

Enbridge (TSX:ENB)(NYSE:ENB) is a blue-chip holding worth considering for various reasons, starting with its position in the North American energy industry.

As the largest pipeline company in the region, it transports a significant chunk of the natural gas consumed and oil processed and exported from the continent. It also has other underlying businesses like power production and natural gas utility (in which it's a leader in Ontario).

The growth potential of the company has not been an asset since 2015. However, its dividends are always a reliable strength. It has grown its payouts for 26 consecutive years, that includes the Great Recession, the 2014-2015 fall, *and* the 2020 energy crisis. It's also quite generous with its payouts and is currently offering a juicy 5.98% yield.

Foolish takeaway

The three dividend stocks in Canada are worth holding for various reasons. All three are aristocrats, and, given enough time; they can also offer you modest enough capital appreciation. So, you can safely divert a sizeable chunk of your retirement savings into the three countries for passive income and capital preservation and appreciation.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:ENB (Enbridge Inc.)
3. TSX:BCE (BCE Inc.)
4. TSX:ENB (Enbridge Inc.)
5. TSX:GWO (Great-West Lifeco Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media

6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. adamothman
2. kduncombe

Category

1. Dividend Stocks
2. Investing

Tags

1. Editor's Choice

Date
2025/08/25
Date Created
2022/05/20
Author
adamothman