



2 Canadian Passive-Income Stocks Offering Can't-Miss Value Right Now

Description

Despite the Canadian stock market being full of uncertainty right now, at least in the short term, there are still plenty of opportunities for investors.

Dividend stocks in particular are especially attractive today. The recent [market downturn](#) in the Canadian stock market has sent yields even higher for some dividend stocks. Couple that with much more attractive valuations, and it becomes a very opportunistic time to invest in quality dividend stocks.

While the yield will likely be top of mind when researching dividend stocks, it's not the only characteristic to focus on. The company's payout streak is also important, especially during times of instability, which we're being faced with today. Dividend stocks can also provide a portfolio with more than just passive income, such as growth or defensiveness.

I've reviewed two top dividend stocks worth serious consideration today. Both companies are very different from one another, each offering its own unique benefits.

For anyone new to dividend investing, these two dividend stocks are a perfect place to begin.

Sun Life

Passive-income investors aren't the only ones who should have **Sun Life** ([TSX:SLF](#))([NYSE:SLF](#)) on their watch lists.

While a nearly 5% dividend yield is enough of a reason to land on any dividend investor's watch list, I've got my eye on the insurance stock for two additional reasons.

First off, it's the dependability that the company can provide an investment portfolio. The insurance industry is far from an exciting one, but it is dependable. I wouldn't bet on the demand for insurance disappearing anytime soon.

Secondly, shares are trading at bargain prices. The stock is down 20% year to date, but it's the

valuation that really makes Sun Life stand out. At a forward price-to-earnings ratio below 10, Sun Life offers investors a whole lot for a very low price.

Northland Power

To complement Sun Life, I've included a very different type of dividend stock as my second pick for dividend investors.

At a market cap of close to \$10 billion, **Northland Power** ([TSX:NPI](#)) is a Canadian [renewable energy](#) leader. The company also boasts an international presence, offering its global customers a range of different green energy solutions.

While Sun Life and Northland Power are indeed two very different companies, I was referring more to the differences in terms of what each dividend stock can offer investors.

At today's stock price, Northland Power's annual dividend of \$1.30 per share yields just over 3%. It's not among the lowest yields on the **TSX**, but Canadian investors won't have much trouble finding a higher yield than that today.

Where the energy stock differentiates itself is with its growth potential. Northland Power has been a consistent market beater for years, and I'm not banking on that changing anytime soon. The demand for renewable energy is only expected to continue rising in the coming years, which certainly bodes well for green energy companies.

Excluding dividends, shares of Northland Power are up more than 70% over the past five years. That's good enough for easily doubling the returns of the S&P/TSX Composite Index.

For dividend investors willing to sacrifice some passive income for the potential to earn market-beating growth, this is a company that should be on your radar.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:NPI (Northland Power Inc.)
2. TSX:SLF (Sun Life Financial Inc.)

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