



4 Canadian Stocks to Buy for Passive Income Forever

Description

Canadians love dividend stocks that pay regular and reliable passive income. Fortunately, the Canadian stock market is full of high-quality [dividend stocks](#) to choose from. If you are looking for enduring life-long passive-income streams, here are four top Canadian stocks to consider for buy-and-hold investors.

Fortis: Passive-income growth for years

One of Canada's top Dividend Aristocrats is **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)). While it only earns a 3.6% dividend yield right now, it has a 48-year track record of annually increasing its dividend rate. If you want passive income that safely hedges against inflation for years ahead, Fortis stock is a great bet.

It is a North American leader in power and natural gas distribution. 99% of its assets are regulated, so investors can trust that its dividend will be funded. Fortis is investing \$20 billion into long-term growth opportunities, and it expects to earn 5-6% earnings and dividend growth for the next several years.

Canadian Apartment Properties REIT

If you want to be a passive-income landlord, but can't afford to buy a rental property, **Canadian Apartment Properties REIT** ([TSX:CAR.UN](#)) is a great alternative. With 67,000 multi-family suites across Canada and Europe, it is the largest [real estate investment trust](#) (REIT) in Canada.

Its suites capture an average monthly rental rate of \$1,167. Compared to housing ownership, that is a very attractive pricing point for many Canadians. Given the essential nature of housing and CAP REIT's well-located properties, it captures high 98% occupancy and growing rental rates.

This passive-income stock earns a 3.2% dividend, but it has grown that annually for the past 10 years. The value of Canadian housing should only grow over time, and this passive-income stock stands to benefit.

Brookfield Renewable Partners

Renewable energy is a long-term growing trend. One of the [best and largest players](#) in this industry is **Brookfield Renewable Partners** ([TSX:BEP.UN](#))([NYSE:BEP](#)). It operates over 21,000 megawatts of hydro, wind, solar, battery, and distributed generation power across the globe. It has a development plan that is three times the size of its current power capacity.

This passive-income stock has grown its dividend by a 6% compounded annual rate since 2013. Going forward, it targets 5-9% annual dividend growth and 12-15% compounded total annual returns. It earns a 3.26% dividend yield today, but I expect further income upside, as it further expands its project portfolio.

Enbridge: An elevated passive-income return

If you like an elevated dividend yield, **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) is a good passive-income stock. At \$57 per share, it earns a 6% dividend yield today. While Enbridge is known for its North America-wide energy pipeline network, it also has renewable power assets, regulated gas utilities, storage facilities, and export ports/facilities.

Enbridge is a way to get exposure to strong oil markets, but at much lower risk. Most of its cash flows are contracted. However, it does get the benefit of higher volumes, as energy demand rises across the globe.

Enbridge has grown its dividend by a 10% compounded annual rate for 27 years. Its dividend-growth rate is likely to slow to half that rate going forward. However, it is still an attractive way to earn inflation-beating, elevated dividend payout today.

CATEGORY

1. Dividend Stocks
2. Investing

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1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. NYSE:ENB (Enbridge Inc.)
3. NYSE:FTS (Fortis Inc.)
4. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
5. TSX:CAR.UN (Canadian Apartment Properties Real Estate Investment Trust)
6. TSX:ENB (Enbridge Inc.)
7. TSX:FTS (Fortis Inc.)

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