



If I Could Buy Only 1 Canadian Dividend Stock to Hold Forever, This Would Be it

Description

As the broader market uncertainties continue to increase, investors can find a safe haven in [dividend stocks](#). While macroeconomic uncertainties might impact the price performance of dividend stocks in the short term, these uncertainties might not affect the long-term growth outlook for most [fundamentally](#) strong, high-dividend-paying companies. In addition, investors can expect such stocks to continue rewarding their investors with strong dividend income, irrespective of market conditions and economic cycles.

In this article, I'll talk about one of the best dividend stocks investors can buy in Canada to hold forever. If you've ever invested in dividend stocks previously, chances are high that you either already own this stock or at least have heard about it. But I especially want to highlight the key benefits of owning this amazing stock to new investors here.

Enbridge stock

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) is a Calgary-based energy company with a [market cap](#) of about \$109.3 billion. After rallying by nearly 41% in the previous six quarters combined, this Canadian dividend stock fell by 5.5% in the second quarter this year due mainly to investors' fears that slowing global economic growth might affect its financial performance. While in the ongoing quarter, Enbridge stock hasn't seen a notable change so far, it currently trades at \$53.99 with 9.3% year-to-date gains.

What makes Enbridge the best Canadian dividend stock

Interestingly, Enbridge has been paying dividends for more than six decades, and its dividend payouts have been increasing for the last 27 consecutive years — clearly making it one of the most reliable Dividend Aristocrats in Canada today. At the current market price, its stock has a strong dividend yield of around 6.4%.

If you've listened to the world-renowned legendary investor [Warren Buffett](#) carefully, you would know he often highlights the importance of investing in businesses that you can easily understand. Simply,

Buffett suggests investors avoid investing in the shares of companies with two complex business models. Enbridge could be a perfect Canadian dividend stock for your own forever, as even new investors can easily understand its business model. The company primarily focuses on the transportation and distribution of energy products. It has a huge network of liquids pipelines and gas distribution channels across North America.

Enbridge's gas transmission network is responsible for delivering nearly 20% of the total natural gas consumed in the United States. And its liquids pipelines account for about 30% of North America's total oil transports and exports.

What else makes this dividend stock so reliable?

While Enbridge's oil and gas infrastructure business is already flourishing, it's trying to accelerate financial growth by diversifying its revenue sources further. In the last couple of years, the company has [advanced](#) its U.S. gulf coast strategy by making new acquisitions. Similarly, Enbridge's interest in the energy segments like renewable natural gas, hydrogen, and carbon capture and storage is also rising.

These positive factors, its robust cash flows, and strong balance sheet are enough to help Enbridge keep rewarding its investors with high dividends in the long run, irrespective of economic phases, making it arguably the best Canadian dividend stock to own for the long term.

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