



My 3 Favourite TSX Dividend Stocks Right Now

Description

[Investing in dividend stocks](#) could help you become financially independent. What that means is that your investment portfolio would have the ability to cover your day-to-day expenses. For many investors, including me, that's the goal when it comes to investing in the stock market. However, in order to achieve that, investors need to be wise and [make the right decisions](#).

In this article, I'll discuss my three favourite **TSX** dividend stocks right now.

The Big Five banks are a no-brainer

When thinking about dividend stocks, Canadians should automatically consider investing in the Canadian banks — in particular, the Big Five. This is because the Canadian banking industry is supported by heavy regulations. This gives companies in that industry a bit of a safety net and makes it more difficult for smaller competitors to displace the industry leaders. The Big Five banks have all been operating for over a century. As a result, those companies have been able to establish very formidable moats.

Of that group, **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) is my top pick. This company has been paying its shareholders a portion of its earnings in each of the past 189 years. In my opinion, that's one of the most impressive statistics I've ever heard. Think of how many periods of economic uncertainty that Bank of Nova Scotia has managed to intelligently navigate since it started paying a dividend. Today, investors can also take advantage of an attractive 5.38% forward dividend yield.

This utility company has a lot of potential

Brookfield Renewable ([TSX:BEP.UN](#))([NYSE:BEP](#)) is another great dividend stock that investors should consider buying today. It is one of the largest players in the global renewable utility industry. [Brookfield Renewable](#) operates a portfolio of assets capable of generating 21 gigawatts (GW) of power. It has an additional 69 GW of generation capacity at various stages of development.

Aside from its position as one of the premier names in the renewable utility industry, Brookfield Renewable is attractive from a dividend point of view. It has grown its distribution in each of the past 11 years. Over that period, the company has raised its dividend at a compound annual growth rate (CAGR) of 6%.

A stock I'd like to add to my portfolio

Unlike the other two stocks mentioned in this article, I don't currently own any shares of **Canadian National Railway** ([TSX:CNR](#))([NYSE:CNI](#)). However, it's a company that I've had on my watchlist for years and a stock I can see myself buying in the future. Canadian National is one of the largest railway companies in North America. It operates nearly 33,000 km of track, stretching from British Columbia to Nova Scotia. Canadian National also operates in the United States as far south as Louisiana.

Canadian National Railway is also notable for its long history of raising dividends. It maintains a 26-year dividend-growth streak. That gives it the longest streak of all the stocks listed in this article and the 11th-longest streak in the country. It should be noted that Canadian National's dividend also grows at a fast rate. With a 14.6% CAGR over the past 10 years, Canadian National does an excellent job of keeping its shareholders ahead of inflation.

CATEGORY

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2. Investing

TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. NYSE:BNS (The Bank of Nova Scotia)
3. NYSE:CNI (Canadian National Railway Company)
4. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
5. TSX:BNS (Bank Of Nova Scotia)
6. TSX:CNR (Canadian National Railway Company)

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