



4 TSX Dividend Stocks (With +6% Yields) to Buy Right Now

Description

It is not often that extremely high-quality TSX dividend stocks trade with dividend yields over 6%. The stock market has gotten spooked by fast-rising interest rates, and dividend stocks have fallen.

Yet many of these high-quality stocks are operating well fundamentally. If you take a long-term approach, now may be the perfect time to buy the dip and lock in some attractive dividend yields. Here are four top TSX stocks with dividends trading over 6% right now.

A top utility stock for dividends

Algonquin Power and Utilities ([TSX:AQN](#)) is a great stock for Canadians looking for exposure to utilities and the [renewable power](#) trend. This Oakville, Ontario-based company has \$17.7 billion worth of electric, natural gas, water, and [renewable assets](#) across North America, South America, and Europe.

Since 2017, this company has grown adjusted net earnings per share by an 11.1% compounded annual growth rate. In that time, it has increased its dividend rate annually by 9.4% on average. Right now, it is implementing a \$12.4 billion five-year capital plan that could support upwards of 7-9% annual adjusted earnings-per-share growth ahead.

Algonquin stock is down 22% this year, and it trades with a high 6.95% dividend yield. Its five-year average dividend yield is closer to 4.35%. It looks like a bargain at only 13 times [price to earnings](#) (P/E).

An essential energy infrastructure stock

Energy security is likely to be a crucial matter in North America and Europe for several years ahead. That is why **Enbridge** ([TSX:ENB](#)) continues to be an attractive dividend stock. Its energy infrastructure network moves 30% of North American crude oil and 20% of gas consumed in the U.S.

98% of Enbridge's assets are contracted and 80% have inflation hedges. That means it captures very reliable cash flows that support its dividends.

This dividend stock has fallen 10% in the past month. Investors can earn a rich 6.89% dividend yield. It trades for 16.5 times earnings, which is below its five-year P/E average of 18.1.

A top TSX telecom stock

With a market cap of \$38 billion, **BCE** ([TSX:BCE](#)) is Canada's largest telecommunications stock. Data, cellular coverage, and internet are essential services that Canadian individuals and businesses can't do without.

Given the limited competition in Canada, BCE has a very strong competitive moat. The company is nearing the completion of a 5G and fibre optic infrastructure build-out plan, and shareholders should enjoy elevated free cash flow returns afterwards.

Its stock is down nearly 20% in 2022. Its P/E ratio of 17 is aligned with its five-year average, representing fair value. Yet with a 6.6% dividend yield, investors can earn an attractive, low-risk, passive-income stream and some modest capital upside from here.

A real estate stock for a monthly dividend

Dream Industrial REIT ([TSX:DIR.UN](#)) stock presents an attractive combination of value and income. It owns 257 industrial properties worth over \$6 billion in Canada, Europe, and the United States. These are well-located, high-quality assets. This [real estate investment trust](#) has seen very high demand from tenants due to near-shoring/re-shoring, e-commerce, and elevated inventory trends.

Dream has seen double-digit rental rate growth and mid-teens funds from operation-per-unit growth this year. Yet its stock is down nearly 39% this year.

Investors can collect a 6.65% dividend yield that is paid out monthly right now. At a 36% discount to its net asset value, this is one of the cheapest industrial real estate stocks you can buy today.

CATEGORY

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2. NYSE:BCE (BCE Inc.)
3. NYSE:ENB (Enbridge Inc.)
4. TSX:AQN (Algonquin Power & Utilities Corp.)
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