



3 TSX Dividend Stocks That Could Pay You Forever

Description

There are a lot of dividend stocks out there that remain great prices on the TSX today. Yet not all of them are solid long-term investments. It's important to remember that just because there is a high dividend yield doesn't mean there's going to be high payments forever.

That's why today, I'm going to be focusing my efforts on Dividend Aristocrats. These are dividend payers that have increased their dividends year after year for over 25 years. That means you should continue to not just receive payments but see dividend increases again and again. Let's get right to it.

Canadian Utilities

Canadian Utilities ([TSX:CU](#)) is currently the only Dividend *King* on the TSX today. That means it's the only one of the many dividend stocks to increase its dividend for the last 50 consecutive years. So, here's what that looks like.

In the last two decades alone, Canadian Utilities stock has increased its dividend by a compound annual growth rate (CAGR) of 6.87% as of writing. So, that isn't just a 1% increase year after year but a solid dividend handed out on a quarterly basis.

Right now, investors can lock in a dividend yield at 5.04%. That comes to \$1.78 per share annually. So, if you were to invest \$5,000 right now, that would create automatic passive income of \$253 per year.

BCE

Another top choice among Dividend Aristocrats is **BCE** ([TSX:BCE](#)). BCE stock is one of the dividend stocks in the telecommunications sector, but it holds the market share. About 60% of the Canadian market uses BCE, and it looks like that number will [continue to rise](#).

This is why BCE stock has managed to increase its dividend again and again. In the last 20 years, it's

increased its dividend by a CAGR of 5.76%. So, again, that's a solid increase that's lasted through several downturns as well as recessions.

Today, investors can lock in a dividend yield among dividend stocks at 5.96%. That comes to \$3.68 per share dished out on a quarterly basis. If you were to invest \$5,000 today, that would create passive income of \$298 annually.

Great West Lifeco

Finally, the last of the Dividend Aristocrats to consider is **Great-West Lifeco** ([TSX:GWO](#)). Great West is a strong choice right now, as it's down but not out. The company continues to expand and currently is the umbrella company over several popular insurance companies.

Further, it continues to increase, even during downturns. In the last 20 years, the dividend has grown at a CAGR of 7.63%! That's the highest CAGR of the batch. Meanwhile, given its expansion, it's quite likely the company can continue this high rate.

If investors bought today, they could lock in the dividend at 6.51%. This dividend comes out as \$1.96 per share annually and gets dished out every quarter. If investors bought \$5,000 in shares today, that would create passive income of \$325 in annual dividends.

Bottom line

There are plenty of dividend stocks out there, but not all of them have the long-term potential that these ones do. So, if you're considering locking in a deal, lock it in from companies that you know will continue to raise their [dividends](#) for decades to come.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:BCE (BCE Inc.)
2. TSX:CU (Canadian Utilities Limited)
3. TSX:GWO (Great-West Lifeco Inc.)

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