



2 High-Yielding Dividend Stocks You Can Buy and Hold for Years

Description

There's no question that some of the best stocks you can own are dividend stocks. Moreover, for investors approaching retirement, owning [dividend stocks](#) is crucial to ensure you're generating some passive income to use in retirement.

But even if you have years to go before you retire, dividend stocks can be some of the best long-term investments you hold in your portfolio.

These stocks often have established businesses and are much less risky than up-and-coming [growth stocks](#).

Furthermore, in times when the market is struggling and many stocks are losing value, you may find dividend stocks to be some of the only investments to earn a return in the short run.

So if you're looking to increase your passive income and buy high-quality dividend stocks, here are two high-yielding investments to buy and hold for years.

One of the best long-term Canadian dividend stocks you can own

Finding dividend stocks can be time-consuming. While the [yield](#) is important and you want to buy stocks that offer an attractive return, you also want to ensure you're buying top-notch stocks.

In this environment, you want to find high-quality businesses that can continue to execute through a recession.

That's why one of the best dividend stocks investors can buy now and hold for years is **Enbridge** ([TSX:ENB](#)), the massive energy infrastructure giant.

Enbridge's enormous business and diversified operating segments make the company highly reliable. In addition, many of the services it offers, such as transporting oil and gas, are crucial for the North

American economy.

This allows Enbridge to constantly generate billions in cash flow, much of which it pays back to investors. For 2022, Enbridge issued guidance of distributable cash flow per share between \$5.20 and \$5.50 a share. Meanwhile, the stock is paying out just \$3.44 per share in dividend payments, making the dividend highly safe.

It's also worth noting that for over a quarter century, Enbridge has increased its dividend payments each year. So not only does it have a long track record of earning tonnes of cash flow, but it's also weathered plenty of recessions in the past.

This makes Enbridge an outstanding dividend stock to buy and hold for the long haul. It's constantly investing in growing its business, especially its exposure to green energy. At the same time, it's also constantly increasing the cash that it returns to investors.

So if you're looking for a high-quality dividend stock to buy for your portfolio in this environment, Enbridge is trading a little over 10% off its high and offering an attractive dividend yield of 6.7%.

An ideal stock for passive income seekers

In addition to Enbridge, another high-yield dividend stock to buy for your portfolio is **Pizza Pizza Royalty** ([TSX:PZA](#)). Pizza Pizza is an ideal investment because the stock is made for dividend investors.

It's constantly increasing its dividend payments as the company grows its sales and aims to pay out essentially all the profit that it generates.

Furthermore, because Pizza Pizza earns a royalty from the sales in its restaurant across the country, it has few expenses. That means the majority of its revenue flows through to the bottom line and is returned to investors.

There is some concern from investors that as consumption slows down in this economic environment, companies like Pizza Pizza could be impacted. Considering that, eating out at restaurants is a discretionary expense.

At the same time, though, Pizza Pizza is well-known in Canada as a low-cost and convenient option, which may help to explain how it's continued to grow its sales throughout 2022. Notably, the pizza shop franchisor has increased its dividend on three separate occasions this year.

So look no further if you seek a high-yield stock to increase the passive income in your portfolio. Pizza Pizza and its 6.1% dividend yield is one of the best stocks to consider.

CATEGORY

1. Dividend Stocks
2. Investing

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