



2 Top Dividend Stocks to Buy and Hold Forever

Description

After all the volatility that plagued the stock market in 2022, the **S&P/TSX Composite Index** is down by 12.5% from its 52-week high at writing. With all the ups and downs, it is completely reasonable for investors to seek out dividend stocks for a little stability in their investment returns.

The [top Canadian dividend stocks](#) can still keep the returns flowing through payouts, even if their share prices are volatile. Identifying and investing in income-generating assets with strong long-term potential can be an excellent strategy to set yourself up for a stronger financial future. Today, we will look at two dividend stocks that seem well-suited for this purpose.

BRP Inc

BRP Inc. ([TSX:DOO](#)) is an \$8 billion market capitalization holding company for Bombardier Recreational Products Inc., producing snowmobiles, ATVs, and other recreational vehicles.

When you think of companies with long-term growth potential, a recreational products manufacturer might not be the first name to come to mind. However, understanding why it can be a great investment right now might change your mind.

The company offloaded assets at the right time in recent months and improved its credit from lenders to bolster its balance sheet. Though short-lived, the moves helped the company's financial situation and improved its performance on the stock market. As of this writing, BRP stock trades for \$101.93 per share and is down by 10.5% from its 52-week high.

The company's CEO, José Boisjoli, announced that its pre-order levels are strong and the cancellation rates are low. BRP stock beat its recent earnings estimates, with net income up by 11% and revenue up by 71% from the same period last year. While it only offers a 0.63% dividend yield at current levels, its strong future returns potential can make it an excellent long-term investment.

Northland Power

Going clean and green is the future of the energy industry, and [renewable energy stocks](#) like **Northland Power Inc.** ([TSX:NPI](#)) have already started cementing their positions as contributors to that future. The \$9.2 billion market capitalization company develops, constructs, and operates a portfolio of infrastructure assets across various green energy technologies.

Wind energy is slated to be a major contributor to a greener future, and Northland Power's largest business segment will likely be its offshore wind branch.

As of this writing, Northland Power stock trades for \$37.63 per share. Down by 20.2% from its 52-week high, it might seem like the stock is in an alarming decline. However, the short-term factors causing the decline will likely make way for better conditions. If you have a long-term mindset, the company's near-term issues should not phase you from adding it to your portfolio.

At current levels, it offers dividends at a 3.19% yield, which it pays out each month. Investing in NPI shares while they are down can be a passive way to get monthly returns while you wait for further wealth growth in the long run through capital gains.

Foolish takeaway

Remember: Stock market investing is inherently risky, especially during volatile market conditions. It is essential to create a well-balanced portfolio to balance risks and rewards. High-quality dividend stocks are a vital part of any well-balanced self-directed portfolio. BRP stock and Northland Power stock are two such income-generating assets you can consider adding to your portfolio.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:DOO (BRP Inc.)
2. TSX:NPI (Northland Power Inc.)

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