



3 Canadian Dividend Stocks for Lazy Investors

Description

By banking on solid [Canadian dividend stocks](#), you can sit back and be a lazy investor. You can earn passive income with little management by holding these dividend stocks that pay out eligible Canadian dividends that are favourably taxed.

When the [Canadian bank stocks](#) are cheap, you can accumulate shares to lock in a juicy dividend yield. Right now, **Bank of Nova Scotia** ([TSX:BNS](#)) stock appears to be a great value for passive income.

BNS stock

Bank of Nova Scotia is considered Canada's most international bank. Its international operations are focused on Mexico, Peru, Chile, and Colombia. Additionally, it has business in the United States. That said, it still derives more than half of its revenues from its core operations in Canada.

Its international exposure could potentially drive higher growth in the long run. However, the bank is still sensitive to the ups and downs of the economic cycle. Precisely, last year we experienced high inflation and rising interest rates that were unfavourable for the general economy.

At \$69.19 per share at writing, BNS stock is relatively cheap and offers a juicy dividend yield. It trades at about 8.2 times earnings. It's a great time for lazy investors to accumulate shares for a yield of close to 6%. On a reversion to the mean, the undervalued stock can climb about 45%, which could take a few years to play out.

BCE stock

Another stock to lock in a high yield is **BCE** ([TSX:BCE](#)). As one of the Big Three Canadian telecoms, it generates substantial cash flows. For example, in the trailing 12 months, it generated over \$8 billion of operating cash flow. After massive capital investments in the past few years, the company's free cash flow should improve for more dividend increases.

BCE has a track record of increasing its dividend for about 14 consecutive years. For reference, its 10-year dividend-growth rate is 5.2%. Its last dividend hike was 5.1%. So, it has been keeping a steady dividend growth of about 5% per year. At \$62.48 per share at writing, it's reasonably valued for a yield of 5.9%.

Brookfield Renewable Partners

It appears **Brookfield Renewable Partners** ([TSX:BEP.UN](#)) stock is setting up for a good year. The stock sold off in a rising interest rate last year. The market seems to agree that it was too cheap. So, it has already led to an 11% rally year to date. That said, the stock still trades at a good value with analysts calling for potential upside of 32% over the next 12 months.

In fact, Brookfield Renewable is a wonderful stock for lazy investors. Because of its investments in key technologies in renewable power, including hydro, wind, solar and power storage facilities and the abundance of global growth opportunities over the next few decades, investors can park their money in it for long-term growth.

BEP rewards long-term unitholders with a growing cash distribution, which it has increased for about 13 consecutive years. For reference, its 10-year dividend-growth rate is 5.7%. It starts you off with a yield of about 4.5% today.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:BCE (BCE Inc.)
2. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
3. TSX:BNS (Bank Of Nova Scotia)

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Date

2025/08/25

Date Created

2023/01/16

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