



Got \$3,000? 3 Top Dividend Stocks for 2023 and Beyond

Description

Dividend investing is an excellent strategy if you want to put your money to work in the stock market to make more money. For Canadian investors, there is an immense wealth of dividend-paying TSX stocks to choose from to create an income-generating self-directed portfolio.

If you are focused on making a portfolio geared to deliver returns through reliable shareholder dividends, identifying and investing in [high-quality dividend stocks](#) is essential.

Fortis

Fortis ([TSX:FTS](#)) is a \$26.68 billion market capitalization utility holdings company that has established itself as one of the top Canadian dividend stocks. A Canadian Dividend Aristocrat, Fortis boasts an almost 50-year dividend-growth streak. Not only does it pay its shareholders regularly, but it also has a stellar track record of growing its payouts each year.

Operating in highly rate-regulated markets, the electricity and natural gas utility businesses it runs in Canada, the U.S., Central America, and the Caribbean generate stable and predictable cash flows for the company.

While the key interest rate hike might have impacted its short-term profitability, the company is well capitalized enough to ride the wave. As of this writing, it pays its shareholders at a 4.07% dividend yield.

Enbridge

Enbridge ([TSX:ENB](#)) is one of the best picks to consider if you want to allocate capital to [Canadian energy stocks](#). The \$109.30 billion market capitalization company headquartered in Calgary owns and operates an extensive pipeline infrastructure. It transports crude oil, natural gas, and natural gas liquids, playing a crucial role in the North American energy industry.

Its business transports just below a third of the crude oil North America produces and a fifth of the natural gas consumed south of the border.

It is also a Canadian Dividend Aristocrat with a dividend-growth streak spanning over 25 years. Set to deliver another dividend hike later this month, it can be an excellent income-generating asset to own. As of this writing, it offers a juicy 6.58% dividend yield you can lock in right now.

BCE

BCE ([TSX:BCE](#)) is the unequivocal leader in the Canadian telecom industry. The \$55.98 billion market capitalization company dominates its industry, offering essential services to consumers and businesses throughout the country.

Access to high-quality communications is critical to how the world works today. It means BCE stock can continue generating solid cash flows, regardless of overall economic circumstances.

While its net earnings per share declined by 6.6% in its recent-most quarter, its cash flows from operating activities increased by 18% year over year, delivering cash flow growth of 64.2%.

It also reported a record-breaking number of new direct fibre connections, coming in at 854,000, driving up its residential internet revenue by 8%. The company also achieved all its 2022 financial guidelines. As of this writing, it pays its shareholders a juicy 5.99% dividend yield.

Foolish takeaway

With dividend investing, you can continue enjoying returns on your investment through the payouts, regardless of share price movement during various economic cycles. However, not every dividend stock can offer reliable shareholder dividends during recessions.

Fortis stock, Enbridge stock, and BCE stock have excellent track records for paying investors dividends in harsh economic environments. These three TSX dividend stocks can be solid foundations for an income-generating portfolio for 2023 and beyond.

CATEGORY

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3. TSX:FTS (Fortis Inc.)

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