



3 Dividend Stocks to Buy Now Before the Dividend Payouts

Description

Do you want to collect dividends from some of Canada's best companies?

If so, you might want to buy them soon. Several Canadian companies are nearing their "ex-dividend date," the day you have to hold the stock by in order to collect the next dividend. Over the long run, it's not such a big deal whether you collect one dividend or not. However, it can feel nice to collect your first dividend in a timely fashion. With that in mind, here are three dividend stocks to buy now before their dividend payouts.

Enbridge

Enbridge Inc ([TSX:ENB](#)) is a Canadian pipeline stock whose ex-dividend date is tomorrow, February 14. According to ENB's website, the record date is February 15, which means you'll need to buy the stock by February 14 in order to collect the [dividend](#). The actual payout will occur on February 28.

How much yield is up for grabs here?

Quite a lot of it!

Enbridge stock has a 6.56% yield, which means that one quarterly dividend yields 1.64%. If you invest \$100,000 into ENB, you can get \$1,640 back in a single quarter!

How is Enbridge as a long-term dividend play? Pretty good in my opinion. It leases out pipeline infrastructure on 8- to 20-year terms, giving it a lot of revenue stability. Its revenue and earnings have generally grown over time. The company's debt level is fairly high, but nothing out of the ordinary. In the short term, the point is: If you want to get Enbridge's next upcoming payout, buy it soon, because the ex-dividend date is rapidly approaching.

Fortis

Fortis Inc ([TSX:FTS](#)) is another Canadian stock whose ex-dividend date is tomorrow. Having already

explained what an ex-dividend date is, I'll focus more on the company itself, rather than the dividend payout schedule.

Fortis is an [electric and gas](#) utility that supplies heat, light, and power to households in Canada, the U.S. and the Caribbean. It has 10 utilities across the Americas and [\\$64 billion in assets](#), of which 99% are regulated utilities. It achieved positive earnings growth last year, when many utilities (e.g., **Algonquin**) had negative growth. Finally, it has a 49-year track record of dividend growth. Overall, it's a dividend stock that an investor can depend on.

CN Railway

Last but not least, we have the **Canadian National Railway** ([TSX:CNR](#)). The railroad stock's ex-dividend date is in March. If you want to collect the next dividend on CNR shares, you'll have to buy it within the next three weeks.

Is CN Railway a good stock overall?

In my opinion, it is. I held it for several years, and I only sold it last year because I wanted to take profits. I still think CN is a great company. The railway ships \$250 billion worth of goods per year. The transnational line only has one competitor in Canada, and only a handful in the United States. It has a long dividend growth track record, featuring a 10% CAGR increase in dividends. Finally, CNR and other railroad stocks are widely owned by well-known gurus like Warren Buffett, Bill Gates, and Bill Ackman. The rail industry has gotten a little on the pricey side, but there's no doubt that CN offers value.

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