



3 Top TSX Dividend Stocks to Buy Now

Description

Dividend investing is a very popular strategy among Canadian investors. So much so that Motley Fool Canada has decided to offer a Dividend Investor service. However, for those that are just starting off or are just looking for that one stock to add to their portfolio, a short article highlighting some of the best companies the market has to offer may be more appealing. That's what I'll be doing today. Here are three top **TSX** dividend stocks to buy right now.

This company has been a reliable compounder

When it comes to stock market investing, you want to find companies that have a proven track record of compounding value. After all, that's the goal at the end of the day. **Brookfield Asset Management** (TSX:BAM.A)([NYSE:BAM](#)) is an excellent example of a reliable compounder. Since August 1995, Brookfield Asset Management stock has gained nearly 4,000%.

That represents an average annual gain of 15.3%. To put that into perspective, a single \$10,000 investment made in August 1995 would be worth over \$400,000 today. Over the same period, the **TSX** has gained an average of 5.8% per year, lagging behind this stock.

As its name suggests, [Brookfield Asset Management](#) is an alternative asset management firm. The company focuses on real assets, which include real estate, infrastructure, and utilities.

While it may not be the most exciting of businesses, Brookfield's management team has managed to create a stock market monster. One exciting new announcement, however, is that Brookfield Asset Management will be partnering with **Tesla** to produce the [first sustainable neighbourhood](#) in North America.

A Canadian Dividend Aristocrat, Brookfield Asset Management has managed to increase its dividend in each of the past nine years. It has a forward dividend yield (1.06%). However, a payout ratio of 57% suggests that the company has a lot of room to continue increasing its dividend in the future.

A dividend company with hidden growth potential

Canadian banks are perhaps among the most regulated banks in the world. As a result, the Canadian banking industry is very stable and new competitors have trouble penetrating the market. Because of this stability, the Big Five have managed to create large moats, providing a sense of reassurance among shareholders. Of that group, **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) stands as my top pick.

The aspect of this company that sets it apart from its peers is that its management team has prioritized global growth as opposed to concentrating all of its efforts in North America. While some may say it puts the company at greater risk, it does provide the Bank of Nova Scotia with tremendous growth potential.

The company is a notable competitor in the Pacific Alliance region, which economists forecast will grow at a faster rate than G7 countries over the coming years.

Another Dividend Aristocrat, the Bank of Nova Scotia has managed to increase its dividend in each of the past 10 years. The company has a much more attractive forward dividend yield of 4.69%. Its dividend payout ratio is also appealing at a modest 58%.

Canada's top dividend payer

When it comes to increasing dividends, few companies have been able to do so better than **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)). In fact, only one company in Canada holds an active dividend growth streak longer than Fortis' 47 consecutive years. This means that Fortis has been able to increase its dividend despite the many market downturns and economic disasters that have occurred over the past five decades.

Like the other companies listed in this article, Fortis' business is very geographically diverse. The company provides electric and gas utilities to more than 3.4 million customers in Canada, the United States, and the Caribbean. Fortis currently has a forward dividend yield of 3.58% and a payout ratio of 73%.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

POST TAG

1. bank
2. Bank stocks
3. banking
4. brookfield asset management
5. Brookfield Asset Management stock
6. canada

7. canadian banks
8. dividend
9. dividend stock
10. dividend stocks
11. Fortis
12. fortis stock
13. investing
14. long term growth
15. Stocks
16. utilities

TICKERS GLOBAL

1. NYSE:BN (Brookfield Corporation)
2. NYSE:BNS (The Bank of Nova Scotia)
3. NYSE:FTS (Fortis Inc.)
4. TSX:BN (Brookfield)
5. TSX:BNS (Bank Of Nova Scotia)
6. TSX:FTS (Fortis Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Bank Stocks
2. Dividend Stocks
3. Investing

Tags

1. bank
2. Bank stocks
3. banking
4. brookfield asset management
5. Brookfield Asset Management stock
6. canada
7. canadian banks
8. dividend
9. dividend stock
10. dividend stocks
11. Fortis

- 12. fortis stock
- 13. investing
- 14. long term growth
- 15. Stocks
- 16. utilities

Date

2025/06/28

Date Created

2021/07/21

Author

jedlloren

default watermark

default watermark