

Our favourite dividend-paying stocks

This month we update our Portfolio for Income-Seeking Investors.

In light of the current market volatility, investors are paying more attention to dividend yields (dividends paid per share divided by the current stock price). As well, dividend-paying companies are once again raising their payouts as the economy recovers from the COVID-19 lockdowns.

It's been more than 20 years since you could assume that dividends would contribute up to a third of your long-term investment returns, even before the tax-cutting effects of the dividend tax credit.

But now that yields have moved up, it's realistic to assume that dividends will once again contribute as much as a third of your total return.

Note that this Portfolio is a little different from our Conservative Growth Portfolio in that we break down our Utilities stocks by industry: Telecommunication, Pipelines and Electric companies.

Each industry faces its own challenges. To cut your risk, be sure to spread your Utility investments out among the three. We also identify a Best Buy in each industry, to help fuel your long-term returns.

Successful Investor Portfolio for Income-Seeking Investors

Stock	Price \$	Symbol	Div. \$	Yield %	Earnings \$			P/E Ratio	TSINetwork Rating	Advice	Gain (loss)%
					2026	2025	2024				
Utility-Sector Companies: Telecommunication Companies											
BCE	35	BCE	1.75	5.0	2.59e	2.80a	3.04a	13.5	Above Ave.	Buy	+477.8
Telus	19	T	1.674	8.8	0.97e	1.04a	0.95a	19.6	Above Ave.	Buy	+233.3
Utility-Sector Companies: Pipeline Operators											
ATCO	60	ACO.X	2.078	3.5	4.51e	4.29a	3.82a	13.3	Above Ave.	Buy	+215.8
Canadian Utilities	45	CU	1.849	4.1	2.42e	2.38a	2.21a	18.6	Above Ave.	Buy	+682.6
Enbridge	70	ENB	3.88	5.5	2.94e	2.80a	2.79a	23.8	Above Ave.	Buy	+125.8
South Bow%	40	SOBO	2.00u	6.8	1.76ue	1.84ua	2.43ua	30.8	Average	Hold	+42.9
TC Energy	83	TRP	3.40	4.1	3.45e	3.73a	3.78a	24.1	Above Ave.	Best Buy	+538.5
Utility-Sector Companies: Electric Companies											
Emera	67	EMA	2.90	4.4	3.52e	2.94a	2.96a	19.0	Average	Buy	+509.1
Fortis@	74	FTS	2.56	3.5	3.60e	3.53a	3.28a	20.6	Above Ave.	#1 Buy	+1,038.5
Finance											
Bank of Montreal	195	BMO	6.68	3.4	13.70e	12.16a	9.68a	14.2	Above Ave.	Buy	+1,344.4
Bank of Nova Scotia	105	BNS	4.40	4.2	8.03e	7.09a	6.47a	13.1	Above Ave.	Best Buy	+1,455.6
CIBC	132	CM	4.28	3.2	9.51e	8.61a	7.40a	13.9	Above Ave.	Buy	+1,452.9
Great-West Lifeco	60	GWO	2.68	4.5	5.42e	5.03a	4.50a	11.1	Above Ave.	Buy	+400.0
Royal Bank	235	RY	6.56	2.8	15.64e	14.43a	12.09a	15.0	Above Ave.	Buy	+3,141.4
TD Bank	132	TD	4.32	3.3	9.08e	8.37a	7.81a	14.5	Above Ave.	Buy	+2,540.0
Consumer Goods & Services											
Andrew Peller	5.32	ADW.A	0.246	4.6	0.51e	0.26xx	-0.07xx	10.4	Above Ave.	Best Buy	+335.0
Molson Coors	72	TPX.B	1.88u	3.5	5.38ue	5.96ua	5.43ua	9.9	Average	Hold	+393.2
Resources & Commodities:											
Imperial Oil	162	IMO	3.48	2.1	6.74e	8.53	9.03	24.0	Average	Best Buy	+2,758.7

Under Earnings, 2026 refers in most cases to the fiscal year now underway; 2025 and 2024 refer to the two prior fiscal years. e.—estimate; d.—loss; u.r.—under review; u—U.S. dollars; a—this number excludes special items or write-offs. It aims to track earnings from continuing operations; xx—these earnings, as originally reported, include items that may give a misleading view of continuing operations; P/E Ratio: share price divided by forecast earnings. Yield: dividend divided by share price. Gain (loss) refers to changes in share prices since our first recommendation. %—Spun off from TC Energy on October 1, 2024.

@—Fortis is your #1 Income Buy for 2026.