

# 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				
<b>Utility-Sector Companies: Telecommunication Companies</b>											
BCE	33	BCE	1.75	5.3	2.68e	2.80a	3.04a	12.3	Above Ave.	Buy	+444.8
Telus	18	T	1.674	9.3	0.98e	0.92a	1.04a	18.4	Above Ave.	Buy	+215.8
<b>Utility-Sector Companies: Pipeline Operators</b>											
ATCO	68	ACO.X	2.078	3.1	4.75e	4.61a	4.29a	14.3	Above Ave.	Buy	+257.9
Canadian Utilities	49	CU	1.849	3.8	2.52e	2.42a	2.38a	19.4	Above Ave.	Buy	+752.2
Enbridge	74	ENB	3.88	5.2	3.03e	3.02a	2.80a	24.4	Above Ave.	Buy	+138.7
South Bow%	47	SOBO	2.00u	5.8	1.88ue	1.97ua	1.84ua	34.1	Average	Hold	+67.9
TC Energy	89	TRP	3.51	3.9	3.85e	3.51a	3.73a	23.1	Above Ave.	Best Buy	+584.6
<b>Utility-Sector Companies: Electric Companies</b>											
Emera	71	EMA	2.93	4.1	3.63e	3.49a	2.94a	19.2	Average	Buy	+545.5
<b>Fortis@</b>	<b>77</b>	<b>FTS</b>	<b>2.56</b>	<b>3.3</b>	<b>3.60e</b>	<b>3.53a</b>	<b>3.28a</b>	<b>21.4</b>	<b>Above Ave.</b>	<b>#1 Buy</b>	<b>+1,084.6</b>
<b>Finance</b>											
Bank of Montreal	211	BMO	6.68	3.2	14.11e	12.16a	9.68a	15.0	Above Ave.	Buy	+1,463.0
Bank of Nova Scotia	107	BNS	4.40	4.1	8.29e	7.09a	6.47a	12.9	Above Ave.	Best Buy	+1,485.2
CIBC	153	CM	4.28	2.8	10.38e	8.61a	7.40a	14.7	Above Ave.	Buy	+1,700.0
Great-West Lifeco	73	GWO	2.68	3.3	5.50e	5.03a	4.50a	13.3	Above Ave.	Buy	+508.3
Royal Bank	248	RY	6.56	2.6	15.86e	14.43a	12.09a	15.6	Above Ave.	Buy	+3,320.7
TD Bank	148	TD	4.32	2.9	9.45e	8.37a	7.81a	15.7	Above Ave.	Buy	+2,860.0
<b>Consumer Goods &amp; Services</b>											
Andrew Peller	5.66	ADW.A	0.246	4.3	0.51e	0.26xx	-0.07xx	11.1	Above Ave.	Best Buy	+362.8
Molson Coors	60	TPX.B	1.92u	4.4	4.72ue	5.42ua	5.96ua	9.3	Average	Hold	+311.0
<b>Resources &amp; Commodities:</b>											
Imperial Oil	174	IMO	3.48	2.0	11.57e	8.53	9.03	15.0	Average	Best Buy	+2,970.4

*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.*