



Diversify Your Portfolio With These 5 Dividend Stocks

Description

Want dividends? Want diversification? Consider these dividend-paying companies in each of five different industries.

1. Banking

Royal Bank of Canada ([TSX: RY](#))([NYSE: RY](#)) recently reported Q2 2014 net income of \$2.2 billion. This represents an increase of 15% from \$1.91 billion in Q2 2013. Its year-to-date 2014 net income is \$4.3 billion, an increase of 9% from \$3.96 billion for year-to-date 2013.

In Q1, Royal Bank announced an increase to its quarterly common share dividend of \$0.04 per share, or 6%, to \$0.71 per share. The bank has a dividend yield of 3.8%; its five-year average dividend yield is also 3.8%. Its dividend rate is \$2.84.

2. Major integrated oil and gas

Suncor Energy ([TSX: SU](#))([NYSE: SU](#)) had record operating earnings of \$1.79 billion and record cash flow from operations of \$2.88 billion in Q1 2014. The company is focusing on managing cash operating costs in 2014. Moreover, it has targeted \$175 million in research and development spending for this year.

Suncor's dividend yield is 2% and its five-year average dividend yield is 1.5%. Its annualized rate is \$0.92. In April, Suncor Energy's board approved a quarterly dividend of \$0.23 per share on its common shares.

3. Railroads

Canadian Pacific Railway ([TSX: CP](#))([NYSE: CP](#)) reported Q1 2014 net income of \$254 million, or \$1.44 per diluted share, in comparison to \$217 million, or \$1.24 per share, in Q1 2013 — a 16% improvement in EPS year over year. Canadian Pacific's strategy is centered on a leaner fleet, infrastructure, and workforce to promote greater returns.

Canadian Pacific's dividend yield is 0.71%. Its five-year average dividend yield is 1.4%. Its annualized dividend rate is \$1.40. At the end of April, Canadian Pacific declared a quarterly dividend of \$0.35 per share.

4. Life insurance

At year-end 2013, **Great-West Lifeco** ([TSX: GWO](#)) had \$758 billion in assets under administration. Irish Life Group of Dublin, Ireland, became a part of the company in 2013. This expands Great-West Lifeco's presence in Europe. For Q1 2014, total company sales increased 43% versus Q1 2013. Its sales increased in Canada by 6% to \$3.2 billion in Q1.

The company has a healthy 4.13% dividend yield. Its five-year average dividend yield is 4.8%. Its annualized dividend rate is \$1.23. The company recently declared a quarterly common dividend of \$0.3075 per common share.

5. Auto Parts Wholesale

Magna International ([TSX: MG](#))([NYSE: MGA](#)) has 315 manufacturing operations and 82 product development, engineering, and sales centres in 29 countries. For Q1 2014, Magna's sales grew 7% over Q1 2013, to \$8.96 billion. Furthermore, its North American light vehicle production increased 4% in Q1 2014 versus Q1 2013. In 2013, its sales, net income, EPS, and cash flow from operations were all greater than 2012's record levels.

Magna's dividend yield is 1.4% and its five-year average dividend yield is 1.5%. The company's annualized dividend rate is \$1.52. In May, Magna's board declared a quarterly dividend of \$0.38 on its outstanding common shares for Q1 2014.

There's a broad array of dividends to be had across multiple sectors. Check out the above companies, and others of their kind, to grow the value of your portfolio.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:CP (Canadian Pacific Railway)
2. TSX:CP (Canadian Pacific Railway)
3. TSX:GWO (Great-West Lifeco Inc.)
4. TSX:MG (Magna International Inc.)
5. TSX:RY (Royal Bank of Canada)
6. TSX:SU (Suncor Energy Inc.)

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