

Attention Dividend Investors: 3 Stocks With Yields Over 5% to Buy Today

Description

As most investors know, dividend-paying stocks far outperform non-dividend-paying stocks over extended periods of time. This means that each and every long-term investor should own at least one dividend-paying stock, and depending on your age and investment goals, maybe even a diversified portfolio full of them. With this in mind, let's take a look at three stocks with yields over 5% that you should consider buying today.

1. TransAlta Corporation: 5.9% yield

TransAlta Corporation ([TSX:TA](#))([NYSE:TAC](#)) is one of the largest power generators and wholesale marketers of electricity in North America and Australia. It pays a quarterly dividend of \$0.18 per share, or \$0.72 per share annually, giving its stock a 5.9% yield at current levels. Investors should also note that the company reduced its dividend by 37.9% in February 2014 as a result of lower power prices and unplanned outages, but I think a strong performance in fiscal 2015 could allow it to slowly increase its dividend back to the previous rate.

2. Manitoba Telecom Services Inc.: 6.5% yield

Manitoba Telecom Services Inc. ([TSX:MBT](#)) is one of the largest full-service telecommunications providers in Canada. It pays a quarterly dividend of \$0.425 per share, or \$1.70 per share annually, which gives its stock a 6.5% yield at today's levels. It is also worth noting that the company has maintained this dividend for the last 19 consecutive quarters, and I think it will continue to do so for the next several quarters.

3. Corus Entertainment Inc.: 6.4% yield

Corus Entertainment Inc. ([TSX:CJR.B](#)) is one of the largest integrated media and entertainment companies in Canada. It pays a monthly dividend of \$0.095 per share, or \$1.14 per share annually, giving its stock a 6.4% yield at current levels. The company has also increased its dividend six times since 2010, and its consistent free cash flow generation could allow for another increase in the next few quarters.

Which of these high yielders belongs in your portfolio?

TransAlta, Manitoba Telecom Services, and Corus Entertainment each have dividend yields of over 6%, and I think investors should take a closer look and strongly consider buying shares of at least one of them today.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:TAC (TransAlta Corporation)
2. TSX:CJR.B (Corus Entertainment Inc.)
3. TSX:TA (TransAlta Corporation)

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