



## These 3 High-Yielding Small-Cap Stocks Are Screaming Buys

### Description

As savvy investors know, dividend-paying stocks outperform non-dividend-paying stocks over the long term, and small-cap stocks have the highest growth rates on average. Combining these two factors by investing in dividend-paying small-cap stocks can be a recipe for huge returns, so let's take a look at three small caps with yields up to 8.6% that you could buy today.

#### 1. Timbercreek Mortgage Investment Corp.: 8.6% yield

**Timbercreek Mortgage Investment Corp.** (TSX:TMC) is an active investor, owner, and manager of global real estate and related assets. It pays a monthly dividend of \$0.06 per share, or \$0.72 per share annually, giving its stock an 8.6% yield at today's levels. It is also important to note that the company reduced its dividend by 10.5% in July to preserve capital and "maintain credit quality," but I think its current rate is sustainable for the long term.

#### 2. McCoy Global Inc.: 4.5% yield

**McCoy Global Inc.** (TSX:MCB) is one of North America's largest manufacturers and distributors of high-performance tubular equipment for the oil and natural gas industries. It pays a quarterly dividend of \$0.05 per share, or \$0.20 per share annually, which gives its stock a 4.5% yield at current levels. Investors should also note that the company has maintained this quarterly payment since the second quarter of fiscal 2012, and its strong operational performance could allow it to continue doing so for the next several years.

#### 3. Pason Systems Inc.: 3.6% yield

**Pason Systems Inc.** ([TSX:PSI](#)) is one of the world's leading providers of specialized data management systems for drilling rigs. It pays a quarterly dividend of \$0.17 per share, or \$0.68 per share annually, giving its stock a 3.6% yield at today's levels. The company has also increased its annual dividend payment every year since 2003, making it one of the top dividend-growth plays in its industry, and its consistent free cash flow generation could allow this streak to continue for the next several years.

## Should you buy one of these high-yielding small-caps?

Timbercreek Mortgage Investment, McCoy Global, and Pason Systems are three of the top dividend-paying small-cap investment options in the market today. Foolish investors should strongly consider beginning to scale in to positions in one or all of them today.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

### TICKERS GLOBAL

1. TSX:PSI (Pason Systems Inc.)

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jsolitro

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