



3 High-Yielding Energy Stocks I'd Buy With an Extra \$5,000

Description

One of the most well-known facts about investing is that dividend-paying stocks outperform their non-dividend-paying counterparts over the long term. It is for this reason that every long-term investor should own at least one dividend-paying stock, and depending on your age, investment goals, and risk tolerance, maybe even a diversified portfolio full of them.

With this in mind, let's take a look at three stocks from the energy sector with yields up to 7.5% that you could add to your portfolio today.

1. Gibson Energy Inc.: 7.5% yield

Gibson Energy Inc. ([TSX:GEI](#)) is one of the largest independent midstream energy companies in Canada and one of the largest integrated service providers to the oil and gas industry in the United States. It pays a quarterly dividend of \$0.32 per share, or \$1.28 per share annually, giving its stock a 7.5% yield at today's levels.

It is also very important to note that Gibson has increased its dividend for four consecutive years, and its increased amount of cash provided by operating activities, including 72.5% year-over-year growth to \$294.06 million in the first half of fiscal 2015, could allow this streak to continue in 2016.

2. Pembina Pipeline Corp.: 5.7% yield

Pembina Pipeline Corp. ([TSX:PPL](#))([NYSE:PBA](#)) is one of the leading transportation and service providers to North America's energy industry. It pays a monthly dividend of \$0.1525 per share, or \$1.83 per share annually, which gives its stock a 5.7% yield at current levels.

Investors should also note that Pembina has increased its dividend for four consecutive years, but its decreased amount of cash flow from operating activities, including a 14.5% year-over-year decline to \$389 million in the first half of fiscal 2015, may cause this streak to end in 2016.

3. Emera Inc.: 4.4% yield

Emera Inc. ([TSX:EMA](#)) is one of the largest electric utilities companies in North America. It pays a quarterly dividend of \$0.475 per share, or \$1.90 per share annually, giving its stock a 4.4% yield at today's levels.

It is also important to note that Emera has increased its dividend for nine consecutive years, and 2015 marks the first year of its five-year plan to grow its dividend by 8% or more annually, making it one of the top dividend-growth plays in the energy sector today.

Which of these energy stocks belong in your portfolio?

Gibson, Pembina Pipeline, and Emera represent three of the most attractive dividend-paying investment opportunities in the energy sector. All Foolish investors should take a closer look and strongly consider establishing positions in one of them today.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:PBA (Pembina Pipeline Corporation)
2. TSX:EMA (Emera Incorporated)
3. TSX:GEI (Gibson Energy Inc.)
4. TSX:PPL (Pembina Pipeline Corporation)

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