

3 High Dividend Stocks You Can Trust

Description

If you are a long-term investor, you must own at least one dividend-paying stock, because they far outperform non-dividend-paying stocks over the long term. With this in mind, let's take a look at three with yields up to 6.4% that you could buy today.

1. Altagas Ltd.

Altagas Ltd. ([TSX:ALA](#)) is one of North America's leading energy infrastructure companies. It pays a monthly dividend of \$0.165 per share, or \$1.98 per share annually, giving its stock a 6.4% yield at today's levels.

It is also important for investors to make two notes. First, AltaGas has raised its annual dividend payment for five consecutive years, and it is currently on pace for 2016 to mark the sixth consecutive year with an increase. Second, the company has stated that it expects to maintain its target payout ratio of 40-50% of funds from operations, so its consistent growth should allow this streak to continue in 2017.

2. Royal Bank of Canada

Royal Bank of Canada ([TSX:RY](#))([NYSE:RY](#)) is the second-largest bank in Canada with approximately \$1.07 trillion in total assets. It pays a quarterly dividend of \$0.79 per share, or \$3.16 per share annually, giving its stock a 4.3% yield at today's levels.

Investors must also make two important notes. First, Royal Bank of Canada has raised its annual dividend payment for five consecutive years, and it is currently on pace for 2016 to mark the sixth consecutive year with an increase. Second, the company has a target dividend-payout ratio of 40-50% of net earnings, so its consistent growth should allow this streak to continue for the next several years.

3. Altus Group Ltd.

Altus Group Ltd. ([TSX:AIF](#)) is one of the leading providers of independent advisory services, software, and data solutions to the world's commercial real estate industry. It pays a quarterly dividend of \$0.15 per share, or \$0.60 per share annually, giving its stock a 3.2% yield at today's levels.

Investors should also note that Altus has maintained this rate since 2011, and its ample cash generated from operating activities, including \$29.59 million in the first nine months of fiscal 2015, could allow it to continue to do so going forward.

Which of these dividend stocks should you buy?

AltaGas, Royal Bank of Canada, and Altus Group are three of the top dividend plays in their respective industries. All Foolish investors should take a closer look and strongly consider initiating positions in one of them today.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Energy Stocks
4. Investing

TICKERS GLOBAL

1. NYSE:RY (Royal Bank of Canada)
2. TSX:ALA (AltaGas Ltd.)
3. TSX:RY (Royal Bank of Canada)

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Author

jsolitro

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