



Add Yield to Your Portfolio With These 3 Stocks

Description

As history has shown, dividend-paying stocks far outperform their non-dividend-paying counterparts over the long term. It is for this reason that all long-term investors 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 three different industries with yields up to 4.9% that you could buy right now.

1. BCE Inc.

BCE Inc. ([TSX:BCE](#))([NYSE:BCE](#)) is the largest communications company in Canada. It pays a quarterly dividend of \$0.65 per share, or \$2.60 per share annually, which gives its stock a 4.9% yield at today's levels.

Investors must also make two very important notes. First, BCE has raised its annual dividend payment for seven consecutive years. Second, the company has a target dividend-payout range of 65-75% of free cash flow, so its strong growth, including 9% year-over-year growth to \$2.08 billion in the first nine months of fiscal 2015, should allow this streak to continue in 2016.

2. TMX Group Limited

TMX Group Limited ([TSX:X](#)) operates cash and derivative markets for multiple asset classes, including equities, fixed income, and energy, and also provides clearing facilities, data products, and related services to financial institutions worldwide. It pays a quarterly dividend of \$0.40 per share, or \$1.60 per share annually, which gives its stock a 4.45% yield at today's levels.

Investors should also note that TMX Group has maintained this quarterly rate since the fourth quarter of 2010, and its consistent cash flow from operating activities, including \$201.7 million in the first nine months of fiscal 2015, could allow it to continue to do so going forward.

3. WSP Global Inc.

WSP Global Inc. ([TSX:WSP](#)) is one of the world's leading professional services firms, providing

engineering and design services to numerous industries. It pays a quarterly dividend of \$0.375 per share, or \$1.50 per share annually, which gives its stock a 3.5% yield at today's levels.

It is also important to note that WSP Global has maintained this annual rate since 2012, but I think its increased amount of funds from operations, including 103.1% year-over-year growth to \$242.5 million in the first nine months of fiscal 2015, which was fueled by acquisitions, could allow for a significant increase in the very near future.

Could your portfolio use more dividend income in 2016?

BCE, TMX Group, and WSP Global can provide the dividend income that your portfolio needs in 2016. All Foolish investors should strongly consider making at least one of them a core holding today.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. TSX:BCE (BCE Inc.)
3. TSX:X (TMX Group)

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Date

2025/09/27

Date Created

2016/01/04

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