

Boost Your Portfolio's Yield With These 3 Stocks

Description

Whether you are a beginner investor who just opened your first brokerage account or a veteran investor that has been active in the market for decades, you must own at least one dividend-paying stock, because they generate much higher returns than non-dividend-paying stocks over the long term.

With this in mind, let's take a look at three stocks with high yields and track records of increasing their annual rates, so you can decide which would be the best fit for your portfolio.

1. 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 currently pays a quarterly dividend of \$0.79 per share, or \$3.16 per share annually, which gives its stock a yield of about 4.5% 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 its recent increases, including its 2.6% hike in August 2015, puts it on pace for 2016 to mark the sixth consecutive year with an increase.

Second, the company has a target dividend-payout range of 40-50% of its adjusted net earnings, so I think its consistent growth, including its 8.6% year-over-year growth to an adjusted \$9.92 billion in fiscal 2015, should allow this streak to continue for many years to come.

2. Methanex Corporation

Methanex Corporation ([TSX:MX](#))([NASDAQ:MEOH](#)) is the largest producer and supplier of methanol to major markets in North America, South America, Europe, and Asia Pacific. It currently pays a quarterly dividend of US\$0.275 per share, or US\$1.10 per share annually, which gives its stock a yield of about 4.3% at today's levels.

It is also very important for investors to note that Methanex has raised its annual dividend payment for five consecutive years, and its 10% increase in April 2015 puts it on pace for 2016 to mark the sixth consecutive year with an increase.

3. Premium Brands Holdings Corp.

Premium Brands Holdings Corp. ([TSX:PBH](#)) is one of North America's largest owners and operators of specialty food manufacturing and differentiated food distribution businesses. It currently pays a quarterly dividend of \$0.345 per share, or \$1.38 per share annually, which gives its stock a yield of about 3.5% at today's levels.

Investors must also note that Premium Brands has raised its annual dividend payment for three

consecutive years, and its 10.4% increase in March 2015 puts it on pace for 2016 to mark the fourth consecutive year with an increase.

Should you buy one of these dividend stocks today?

Royal Bank of Canada, Methanex, and Premium Brands Holdings have high dividend yields and track records of increasing their annual rates, making them some of the most attractive investment options in their respective industries. All Foolish investors should take a closer look and strongly consider initiating positions in at least one of them today.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NASDAQ:MEOH (Methanex Corporation)
2. NYSE:RY (Royal Bank of Canada)
3. TSX:MX (Methanex Corporation)
4. TSX:PBH (Premium Brands Holdings Corporation)
5. TSX:RY (Royal Bank of Canada)

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