

3 Unlikely Dividend Stocks That Can Make You Rich

Description

Investors seeking dividend-paying stocks are often left struggling when selecting stocks that keep their portfolios diversified while maintaining a healthy balance of growth and dividend stocks.

Fortunately, there are some stocks that can cater to both needs. Here's a look at three of them and why they make good investments.

National Bank of Canada

National Bank of Canada ([TSX:NA](#)) is the sixth-largest bank in the country. The bank also has the least amount of exposure to the ongoing energy industry problems in Alberta by virtue of it being more focused on eastern Canada, where businesses haven't experienced a downturn.

In the first quarter of the year, the bank managed to post a 4.1 % year-over-year increase in net income to \$427 million and an adjusted earnings-per-share increase of 2.6% to \$1.17 over the same quarter last year.

National Bank pays out a quarterly dividend of \$0.54 per share, giving the stock a very handsome yield of 5.14%. Even more impressive is that despite the dividend and continued growth, the stock is down nearly 3% in the past six months, making the current price of just over \$42 a bargain for potential investors when compared to the other big banks.

Cineplex Inc.

Cineplex Inc. ([TSX:CGX](#)) is a company in a traditional business that is innovating and pushing the envelope into new areas in the entertainment industry. As the largest movie-theatre chain in the country with nearly 80% of the market covered, Cineplex benefits greatly from the popularity of the latest Hollywood blockbusters as well as from concession sales. Recently, the company showcased massive 59.6% year-over-year growth in terms of adjusted free cash flow.

The company cleverly invested into the eGaming world, which has allowed it to host live events and tournaments in theatres, providing massive sources of income for the company. Furthermore, the company has opened "Rec Rooms" across the country that allow for multi-purpose configurable spaces to be used for parties and events.

Cineplex pays a monthly dividend of \$0.13 per share, which gives the company a yield of 3.09%. Those dividends have been raised consecutively for the past five years, and there's reason to believe that they will rise again this year.

Pizza Pizza Royalty Corp.

Pizza Pizza Royalty Corp. ([TSX:PZA](#)) is the company behind the iconic Pizza Pizza and Pizza 73 restaurants. The company currently has over 730 restaurants and has been a staple in communities

across the country since the first location opened up nearly 50 years ago.

Pizza Pizza has expanded in recent years, both in terms of the menu offerings as well as in coverage across the country. The company, which was predominately in Ontario, now has locations in the east as well as the west of the country and continues to open new locations. This helps the company maintain overall growth as a downturn in areas such as Alberta can be offset by growth in from other parts of the country, such as Ontario and Quebec.

Pizza Pizza pays out a monthly dividend of \$0.0697 per share, or \$0.8364 annually, giving the stock a very impressive yield of 6.2%. The dividend has steadily increased over the past four years with the most recent uptick coming in the form of a 2.5% increase late last year.

In the most recent quarter, the company announced increases to both royalty pool sales and same-store sales by 3.3% to \$133.1 million and 2.5% for same-store sales respectively. Adjusted earnings per share increased to by 1.4% to \$0.219 per share.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. TSX:CGX (Cineplex Inc.)
2. TSX:NA (National Bank of Canada)
3. TSX:PZA (Pizza Pizza Royalty Corp.)

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