

3 Great Dividend Stocks to Consider Today

Description

If your portfolio lacks yield and you're ready to do something about it, then you've come to the right place. I've scoured the market and compiled a list of three stocks with high and safe yields of 4-7%, so let's take a closer look at each.

1. Bank of Montreal

Bank of Montreal ([TSX:BMO](#))([NYSE:BMO](#)) is the fourth-largest bank in Canada and the eighth-largest in North America with over \$699 billion in total assets.

It pays a quarterly dividend of \$0.84 per share, or \$3.36 per share annually, which gives its stock a yield of about 4.1% at today's levels.

Investors must also make the following two notes.

First, Bank of Montreal's three dividend hikes since the start of 2015, including its 2.4% hike in December, have it on pace for 2016 to mark the fifth consecutive year in which it has raised its annual dividend payment.

Second, the company has a target dividend-payout range of 40-50% of its adjusted net earnings, so I think its very strong growth, including its 14.4% year-over-year increase to \$1.75 per share in its first quarter of 2016, will allow its streak of annual dividend increases to continue for the next several years.

2. Innergex Renewable Energy Inc.

Innergex Renewable Energy Inc. ([TSX:INE](#)) is one of the world's largest independent renewable power producers with ownership interests in 42 hydroelectric, wind, and solar power generation facilities across Canada, the United States, and France.

It pays a quarterly dividend of \$0.16 per share, or \$0.64 per share annually, which gives its stock a yield of about 4.4% at today's levels.

Investors must also make the following two notes.

First, Innergex's 3.2% dividend hike in February has it on pace for 2016 to mark the third consecutive year in which it has raised its annual dividend payment.

Second, the company expects its free cash flow to reach \$106.4 million in 2017, representing an annual compound growth rate of approximately 20% for 2015-2017, and I think this very strong growth will allow its streak of annual dividend increases to continue for many years to come.

3. Rogers Sugar Inc.

Rogers Sugar Inc. ([TSX:RSI](#)) is one of Canada's largest refiners, processors, distributors, and marketers of sugar products, including granulated, cube, yellow, brown, liquid, and specialty sugars and syrups.

It pays a quarterly dividend of \$0.09 per share, or \$0.36 per share annually, which gives its stock a yield of about 6.35% at today's levels.

Investors must also make the following two notes.

First, Rogers has maintained its current annual dividend rate since 2013.

Second, I think the company's increased amount of free cash flow, including its 3.4% year-over-year increase to \$20.6 million in the first half of fiscal 2016, and its sound payout ratio, including 82.2% in the first half, will allow it to continue to maintain its current annual dividend rate for the foreseeable future.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BMO (Bank of Montreal)
2. TSX:BMO (Bank Of Montreal)
3. TSX:INE (Innergex Renewable Energy Inc.)
4. TSX:RSI (Rogers Sugar Inc.)

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