

Income Investors: Don't Ignore These 2 Big-Yield Stocks

Description

Investors often turn to the popular names when choosing income picks, but the market also has a number of low-profile stocks that offer sustainable and juicy yields.

Let's take a look at why **Inter Pipeline Ltd.** (TSX:IPL) and **Keg Royalties Income Fund** ([TSX:KEG.UN](#)) deserve to be on your radar.

Inter Pipeline

Inter Pipeline lies in the shadows of its larger peers, but the company has a diversified revenue stream that is proving very resilient.

Inter Pipeline transports 15% of western Canada's conventional oil production and 35% of the country's oil sands output.

Producers are struggling with low prices, but throughput remains strong and Inter Pipeline is seeing the benefits of strong traffic on its newest assets.

The company completed two oil sands projects and one conventional oil pipeline last year. The additional revenue from the infrastructure helped drive 2015 funds from operations to a record high.

The company also operates a growing liquids storage business in Europe. The division continues to expand through acquisitions and more growth is expected given the 98% utilization rate.

Inter Pipeline raised its monthly dividend last November to 13 cents per share. The current payout offers a yield of 5.7%.

As the energy sector recovers, investors should see the stock continue to rise.

The Keg

The first Keg restaurant opened its doors in 1971, and Canadians have flocked to the iconic chain ever since. In the food game, that's an impressive track record.

The company's success lies in its commitment to a simple but effective strategy: provide great food served by friendly and professional staff in a fun atmosphere.

There are 100 restaurants currently contributing to the royalty pool, and investors continue to enjoy a steady stream of rising distributions.

Management hiked the monthly payout three times in 2015 and also handed investors a nice one-time bonus at the end of the year. The company recently raised the distribution again, and the current payment of \$0.09 per month yields a juicy 5.95%.

The unit price has grown steadily over the past five years, and income investors who like the brand can use the healthy distributions to help cover their trips to the famous Keg patios.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:KEG.UN (Keg Royalties Income Fund)

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