

4 Great Dividend Stocks for Young Investors

Description

If you're a young investor that is interested in buying a dividend-paying stock or building a portfolio full of them, then this article will make the process much easier for you. I've scoured the market and compiled a list of four high-quality dividend stocks with high and safe yields of 3-8%, so let's take a quick look at each to determine if you should buy one or all of them today.

1. Inter Pipeline Ltd.

Inter Pipeline Ltd. (TSX:IPL) is an energy infrastructure company that provides its shareholders with a stable source of monthly cash dividends. Its assets include oil sands and conventional oil pipelines, petroleum and petrochemical storage facilities, and natural gas liquids extraction plants, and they are strategically located across Western Canada and Europe.

It pays a monthly dividend of \$0.13 per share, or \$1.56 per share annually, giving stock a yield of about 5.7% at today's levels. It has also raised its annual dividend payment for seven consecutive years, and its 6.1% hike in November has it on pace for 2016 to mark the eighth consecutive year with an increase.

2. Home Capital Group Inc.

Home Capital Group Inc. (TSX:HCG) operates through its principal subsidiary, Home Trust Company, which is a federally regulated trust company that offers alternative financing solutions to individuals across Canada. It offers a wide range of financial products and services, including mortgages, deposits, and retail credit.

It pays a quarterly dividend of \$0.24 per share, or \$0.96 per share annually, giving its stock a yield of about 3% at today's levels. It has also raised its annual dividend payment for 16 consecutive years, and its 9.1% hike in February has it on pace for 2016 to mark the 17th consecutive year with an increase.

3. Fortis Inc.

Fortis Inc. (TSX:FTS) is one of the 25 largest utilities in North America with operations across Canada, the United States, and the Caribbean. Its nine subsidiaries include FortisBC, Fortis Alberta, Central Hudson, UNS Energy, Newfoundland Power, Maritime Electric, Fortis Ontario, Fortis TCI, and Caribbean Utilities.

It pays a quarterly dividend of \$0.375 per share, or \$1.50 per share annually, giving its stock a yield of about 3.45% at today's levels.

It's also important to make the following two notes about Fortis' dividend.

First, it has raised its annual dividend payment for 42 consecutive years, the longest record for a public

corporation in Canada, and its 10.3% hike in September has it on pace for 2016 to mark the 43rd consecutive year with an increase.

Second, it has a dividend-growth target of 6% annually through 2020.

4. NorthWest Healthcare Properties Real Estate Investment Trust

NorthWest Health Prop Real Est Inv Trust ([TSX:NWH.UN](https://www.tsx.com/stocks/nwh-un)) is Canada's largest non-government owner and manager of medical office buildings with 62 properties from coast to coast, and it also owns and manages 58 medical office buildings in Australia, New Zealand, Germany, and Brazil.

It pays a monthly distribution of \$0.06667 per share, or \$0.80 per share annually, giving its stock a yield of about 7.85% at today's levels. It has maintained this annual rate since 2011, and its consistent generation of adjusted funds from operations could allow it to continue to do so for the foreseeable future.

CATEGORY

1. Dividend Stocks
2. Investing
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TICKERS GLOBAL

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2. TSX:HCG (Home Capital Group)
3. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

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Date

2025/08/25

Date Created

2016/07/15

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