3 Stocks to Satisfy Your Dividend-Income Needs

Description

One of the most sought-after investments for any portfolio is the dividend-paying stock. You can buy it and then sit back, forget about it, and watch it grow over time. As amazing as this sounds, there are quite a few stocks that can provide that experience.

Here's a look at a few of my favourite picks that will provide you with both dividend income as well as growth.

BCE Inc.

BCE Inc. (TSX:BCE)(NYSE:BCE) is one of the best stocks you can buy. The company has a massive moat that affects every aspect of our lives, with everything from sports teams and TV stations to wireless- and internet-service subscriptions falling under the media behemoth's umbrella.

The core business of BCE is its internet, TV, wireless and wired phone subscription services. The company also benefits from having a huge defensive moat around the core business in the form of the immense network infrastructure and coverage that is offered.

For a new competitor to emerge in the landscape to counter BCE in terms of coverage would requires tens of billions of dollars and nearly a decade of construction. That's not even considering the costs associated with products and marketing, which would be immense.

Thanks to that moat, BCE can afford to pass a significant amount of revenue back to investors in the form of dividends. BCE's payout ratio stands at an impressive 86.4%, which would be unimaginable for a competitor to match.

BCE's current quarterly dividend pays $0.68 per share, which provides a healthy 4.50% yield at the current stock price of $60.69. BCE's stock is up by over 11% in the past year.

Cineplex Inc.

Cineplex Inc. (TSX:CGX) is another all-time favourite for a variety of reasons. The movie-theatre

company is becoming less and less about movies, having expanded into other business areas over the past few years.

Some of those new ventures include a digital media segment, which sells those large LCD menu screens that are popping up in fast-food locations around the country.

Looking back to the core theatre business, Cineplex has devised a number of parallel business models that make use of the company's existing theatre facilities for other purposes. This includes the new VIP service, which offers bigger recliner seats and a full menu, as well as hosting and streaming gaming tournaments in theatres thanks to the company's venture into World Gaming.

Cineplex currently has a quarterly dividend that pays out $0.14 per share, which amounts to a yield of $3.20 at the current stock price of just over $50. Over the past year Cineplex is up by 6.69%.

Bank of Nova Scotia

Bank of Nova Scotia (TSX:BNS)(NYSE:BNS) is not only one of Canada's biggest banks, but it is also one of the most diversified. The bank has focused recently on expanding operations into the countries that comprise the Pacific Alliance.

The Pacific Alliance is a group of countries that have established strong partnerships with a goal to reduce or eliminate tariffs and trade barriers between member states, and benefit from consolidated visas across member states, which currently include Mexico, Columbia, Peru, and Chile.

The sheer genius in this expansion is that as these countries forge closer relations, finding a bank that can operate in all of those countries becomes critical. Bank of Nova Scotia can do this, and the Pacific Alliance has become a lucrative source of income for the bank.

Bank of Nova Scotia's quarterly dividend currently pays out $0.74 per share, which results in a 4.23% yield at the current $69.90 share price. In terms of growth, the stock has appreciated by nearly 19% over the past year.

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2. Investing

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1. Editor's Choice

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1. NYSE:BCE (BCE Inc.)
2. NYSE:BNS (The Bank of Nova Scotia)
3. TSX:BCE (BCE Inc.)
4. TSX:BNS (Bank Of Nova Scotia)
5. TSX:CGX (Cineplex Inc.)

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Date
2025/07/30
Date Created
2016/10/03
Author
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Footer Tagline