2 Dividend Stocks to Purchase for the Holidays

Description

The holiday season is now in full swing. Investors have, for the most part, fared well over the course of the year, despite several roller-coaster-type events that have tested the patience of the market and investors alike.

Dividend-paying stocks also had a turbulent year. Companies in strong segments of the economy rewarded shareholders with increases, whereas others were forced to cut dividends.

Here are a few of the better-performing dividend stocks to pick up just in time for the holidays.

Cineplex Inc.

While you may know **Cineplex Inc.** (TSX:CGX) as a traditional movie and popcorn type of company, Cineplex has evolved over the past few years into more of an entertainment company.

Why should investors consider Cineplex?

Cineplex has introduced several innovative twists to the traditional movie theatre business, including a VIP service, which is a premium level of theatre viewing with larger seats, a chef-inspired menu, and higher price points. Cineplex has also introduced the Rec Room concept–a configurable room that could be used to host a variety of events, ranging from small gatherings to large corporate-sponsored events. The company has also made inroads to the eSports community by hosting gaming events in theatres through Cineplex's acquisition of World Gaming.

These initiatives have been successful, as can be seen in the impressive results the company continues to present during earnings time.

In the most recent quarter, Cineplex exceeded expectations, posting a 14.5% increase in net revenue of $376 million. Surprisingly, some of this increase is attributed to another business within Cineplex that has little to do with movie theatres or popcorn.

Cineplex's digital media segment is behind the increasing number of flat screen LCD monitors that are popping up in fast-food chains around the country. The digital media segment saw growth of 16% in the most recent quarter, providing $29.1 million in sales.

Cineplex currently pays a monthly dividend of $0.135 per share, which gives Cineplex a healthy yield of 3.25% at the current stock price.

BCE Inc.

You can’t really mention dividends without thinking about the media behemoth that is **BCE Inc**. (TSX:BCE)(NYSE:BCE). BCE is a company that has occupied nearly every aspect of our lives. From radio and TV stations to internet service, wireless access, and even sports teams, BCE is literally everywhere.

BCE’s core subscription business of internet, phone, and TV service provides nationwide coverage on a fully built infrastructure network. For a new competitor to emerge and challenge BCE on the same level of price and coverage would require tens of billions in investment and nearly a decade of infrastructure development.

BCE recently provided a quarterly update that showed strong growth in a number of segments. Net income showed a 1.1% increase to $800 million, and net income attributable to shareholders was $752 million. The company saw a net increase of 183,000 new subscribers in the quarter, which was the strongest increase in service for the year.

Impressively, the recent quarterly results represented the 44th consecutive quarter of year-over year EBITDA growth.

In other words, BCE has an incredible moat that continues to provide strong results, which in turn helps to pay an impressive dividend. BCE provides shareholders with a very healthy dividend that is both secure and steady. The current quarterly dividend amounts to $0.68 per share, which provides a healthy 4.73% yield at the current stock price.

CATEGORY

1. Dividend Stocks
2. Investing

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1. Editor's Choice

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1. NYSE:BCE (BCE Inc.)
2. TSX:BCE (BCE Inc.)
3. TSX:CGX (Cineplex Inc.)

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