



## Income Investors: 1 Incredible Stock With a Safe 8.7% Dividend Yield

### Description

Many income investors want to give themselves raises by buying stocks of companies with huge dividend yields. I'm normally not a fan of this strategy because stocks with yields above 6% are usually companies with artificially high yields, meaning the only reason the yield got so high is because the stock crashed to ridiculous lows, and the management team kept the dividend intact.

I'm more of a safe dividend investor. I want a yield that will be paid out even during the worst of recessions. I also want to see generous dividend hikes on a consistent basis over the last 10 years. Also, if there was a dividend cut during this time frame, then that should be ringing alarm bells.

There is one great stock that has a ridiculously high dividend yield of 8.7%, and sure, it's an artificially high yield, but the company has a terrific history of increasing its dividend on a consistent basis, and the company didn't cut its dividend during the Financial Crisis! If you really want to give yourself a raise, then buying shares of this stock could make you very rich in the long run.

**Corus Entertainment Inc.** ([TSX:CJR.B](#)) is a Canadian media and content company which has been in a house of pain for over two years. The stock lost about 60% of its value over the span of one-and-a-half years. The stock has since formed a bottom and has started to rally, but is that huge dividend yield safe?

The management team is very shareholder friendly. The company pays out a dividend even during the worst of times to keep investors happy. The management team had also announced that it is committed to paying down its debt in 2017. There's no question that the dividend is the riskiest it's been in a long time, but I think we'll see the dividend remain static until the company can increase its free cash flow generation by leaps and bounds.

The stock currently trades at an 11.4 forward price-to-earnings multiple and a 1.1 price-to-book multiple, both of which are cheaper than the company's five-year historical average multiples of 13.4 and 1.5, respectively. The stock is incredibly cheap, and it's quite possible that Corus offers the safest dividend over 8% on the TSX.

If you're an income investor looking for a raise, then Corus Entertainment could be the stock that

you're looking for. Collect the 8.7% yield while you wait for the stock to slowly rebound over the next few years.

## CATEGORY

1. Investing

## TICKERS GLOBAL

1. TSX:CJR.B (Corus Entertainment Inc.)

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