



3 Reliable Income Stocks With Yields of 3-8%

Description

As income investors, we want to own stocks with high and reliable distributions and, after a thorough search of several industries, I've selected three that I think represent very attractive opportunities today. Let's take a closer look at each, so you can determine if you should invest in one or more of them today.

Morneau Shepell Inc.

Morneau Shepell Inc. (TSX:MSI) is one of Canada's largest human resources consulting and technology companies, including its leading provider of employee- and family-assistance programs, its largest administrator of retirement and benefits plans, and its largest provider of integrated absence management solutions. It serves about 20,000 clients in Canada, the United States, and around the world.

Morneau Shepell pays a monthly dividend of \$0.065 per share, equal to \$0.78 per share on an annualized basis, and this gives its stock a yield of approximately 3.7% at today's levels. The company has maintained this monthly dividend rate since it converted from an income trust structure into a conventional corporation in January 2011. I think its very strong growth of free cash flow, including its 18.2% year-over-year increase to \$18.09 million in the first quarter of 2017, will allow it to continue to do so for decades.

Dream Global REIT

Dream Global REIT (TSX:DRG.UN) is one of the largest owners and operators of commercial real estate in Europe. As of March 31, its portfolio consists of 169 office, industrial, and mixed-use properties, which total about 12.9 million square feet of gross leasable area and are located across major markets in Germany and Austria.

Dream Global pays a monthly distribution of \$0.06667 per unit, equal to \$0.80 per unit on an annualized basis, which gives its stock a yield of about 7.5% at today's levels. It has maintained this annual distribution rate since its initial public offering in August 2011. I think its strong financial performance, including its 10% year-over-year increase in adjusted funds from operations to \$0.22 per

share in the first quarter of 2017, will allow it to continue to do so going forward.

Ag Growth International Inc.

Ag Growth International Inc. ([TSX:AFN](#)) is one of the world's leading manufacturers and distributors of grain handling, conditioning, and storage equipment. Its brand family includes market leaders such as Westfield, STORM, TRAMCO, FRAME, Grain Guard, and Twister.

Ag Growth pays a monthly dividend of \$0.20 per share, equal to \$2.40 per share on an annualized basis, giving its stock a yield of about 4.2% today. The company has paid monthly dividends uninterrupted and without reduction since its initial public offering in May 2004, and it has maintained its current rate since November 2010. I think its incredibly strong financial performance, including its 42.8% year-over-year increase in funds from operations to \$14.62 million in the first quarter of 2017, will allow it to continue to do so for the foreseeable future.

Which of these reliable income stocks should you buy today?

Morneau Shepell, Dream Global REIT, and Ag Growth International could provide your portfolio with high and reliable streams of monthly income, so take a closer look at each and strongly consider initiating a position in at least one of them today.

CATEGORY

1. Dividend Stocks
2. Investing

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1. Editor's Choice

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1. TSX:AFN (Ag Growth International)

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Date

2025/07/07

Date Created

2017/06/15

Author

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