



## Looking for Dividends? This Stock Yields Over 6%

### Description

If you are an income investor always on the hunt for good dividend payouts, here's a stock for you to consider. **Chemtrade Logistics Income Fund** ([TSX:CHE.UN](#)), founded in 2001, provides industrial chemicals and services to customers around the world. Its chemical products include sulphuric acid sodium nitrate.

### Chemtrade's dividends

The stock currently pays a monthly dividend of \$0.10 per share for an annual dividend rate of \$1.20 per share. This gives the stock a current dividend yield of 6.36%. This \$0.10 monthly payout has been consistent over the last five years. It would be nice to see it grow, but as an income investor, the consistency is nice to have. Now, let's see how Chemtrade looks beyond its dividend.

### Chemtrade by the numbers

The company's net income grew year over year last quarter from a loss of \$0.29 per share to a gain of \$0.11. This missed analyst expectations of \$0.16, but it's headed in the right direction. Its net profit is a minuscule 0.17%, but that actually makes it one of the best in the industry. Chemtrade's return-on-equity (ROE) ratio is anemic at 0.21%, but it sits in the middle among its peers. Many peers have negative ROEs, so Chemtrade is better than some of its peers at turning investor dollars into profit.

Over the last three years, revenue growth has averaged 9.49% annually, which is a little better than the industry average of 7.42%. The stock currently trades closer to its 52-week high of \$19.38 than its low of \$16.10, but analysts expect the stock to trade in the \$21 range over the next 12 months. If they are right, there is a little room for growth here.

Chemtrade's trailing P/E ratio is extremely high 438.02, so you will pay a lot for this company's earnings. Finally, the stock's debt-to-net-equity ratio is also high at 1.67. The company has far more debt than equity at the moment.

### Investor takeaway

Is Chemtrade a good buy? That depends on what you are looking for. If you want a good dividend yield

from a company with a solid history of dividend payouts, Chemtrade would make a nice addition to your Foolish portfolio. While Chemtrade has some concerning numbers, particularly its debt levels and P/E ratio, there is a lot to like about this stock. Many of its numbers are heading in the right direction, so this stock deserves your consideration.

## CATEGORY

1. Dividend Stocks
2. Investing

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