



3 Stocks With Dividends Yielding More Than 7% to Buy

Description

It's already October — the start of the last quarter of 2017. Which stocks should you buy when the markets are trading at record highs in North America? Is it a good time to get in, or is it too late for this year?

These are very logical questions for cautious investors who don't want to buy stocks when valuations are stretched and investors are concerned about a possible correction.

Today, I've selected three high-yielding dividend stocks which still offer value for long-term investors who are seeking to earn stable income.

Inter Pipeline Ltd (TSX:IPL) stock remained under pressure throughout the year, as investors preferred to stay on the sidelines, avoiding energy companies in general.

Plunging from the 52-week high of \$30 a share, IPL shares mostly traded around \$20. But as crude oil prices strengthened around \$50 a barrel, IPL stock has staged a nice comeback, surging ~14% to \$26 during the past month.

If you could ignore the volatility in IPL stock, then you have a solid company which runs a large oil pipeline network, transporting energy products from Canada's western province. It also processes natural gas and manages bulk storage facilities for liquid energy assets in Europe.

These diversified assets have helped IPL to generate strong cash flows for its investors. Offering a 6.24% annual dividend yield, IPL pays monthly dividend of \$0.135 a share.

Altagas Ltd. ([TSX:ALA](#)) is another interesting opportunity in the energy space with a highly attractive dividend yield of 7.45%.

An Alberta-based Canadian gas and power utility, Altagas gas infrastructure runs more than two billion cubic feet of gas per day.

In an effort to grow organically, following the footsteps of other Canadian utilities, the company has announced the \$8.4 billion deal to acquire the U.S.-based **WGL Holdings**.

Investors, however, don't like this acquisition, which is pending a regulatory approval; they're concerned that it will increase the company's debt and make it difficult for the utility to continue with its generous dividend plan.

There is no doubt that the risk is higher here, but there is a solid business case for this merger, and if you can stomach a little higher risk, then Altagas might prove a solid long-term pick for your income portfolio.

Enbridge Inc. ([TSX:ENB](#))([NYSE:ENB](#)) is the best dividend stock among today's picks. The company is in a solid growth mode, operating in a stable business environment.

Enbridge operates the world's longest crude oil and liquids transportation system, which insulates it from the cyclical nature of the commodity markets. The company is a leader in gathering, transportation, processing, and storage of natural gas in North America, serving about 3.5 million retail customers in Ontario, Quebec, New Brunswick, and New York State.

After trading lower the most part of this year, Enbridge stock is up 5% during the past month, signalling a much-awaited recovery.

Despite these gains, investors can still pick ~5% dividend yield at a time when the company is forecasting 10-12% growth in its payout each year through 2024.

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