



## Invest in the “New” Triple 5 Portfolio

### Description

About a year ago, I recommended a group of five stocks in five sectors that all yielded 5% or more. I called it the [Triple 5](#) portfolio. Over the past year, the five stocks’ average return was 18.1% — 680 basis points higher than the TSX.

### The 2017 Triple 5 portfolio

Company	Sector	Yield	One-Year Return
<b>CI Financial Corp.</b> <a href="#">(TSX:CIX)</a>	Financials	5.4%	21.7%
<b>Inter Pipeline Ltd.</b> <a href="#">(TSX:IPL)</a>	Energy	5.9%	-0.3%
<b>Chorus Aviation Inc.</b> <a href="#">(TSX:CHR)</a>	Transportation	7.6%	51.5%
<b>NorthWest Health Prop Real Estate Inv Trust</b> <a href="#">(TSX:NWH.UN)</a>	Healthcare	8.2%	14.0%

## Rogers Sugar Inc.

Consumer/Non-Cyclical 5.9% 3.8%

[\(TSX:RSI\)](#)

Source: Morningstar.ca

### One more time

Since last year's Triple 5 was so successful, I thought I'd try my luck again this year. All stocks will yield 5% and have a minimum market cap of \$500 million. Last year's version was an income investor's dream portfolio, averaging a 6.6% yield, which means the overall portfolio's gains were one-third from dividends and two-thirds from capital appreciation.

I'm not sure if there's anything to find this year, but I'll give it a whirl.

### The 2018 Triple 5 portfolio

Company	Sector	Yield
<b>Sienna Senior Living Inc.</b> <a href="#">(TSX:SIA)</a>	Healthcare	5.1%
<b>Alaris Royalty Corp.</b> <a href="#">(TSX:AD)</a>	Financials	7.9%
<b>Exchange Income Corporation</b> <a href="#">(TSX:EIF)</a>	Transportation	6.1%
<b>Superior Plus Corp.</b> <a href="#">(TSX:SPB)</a>	Energy	5.5%
<b>RioCan Real Estate Investment Trust</b> <a href="#">(TSX:REI.UN)</a>	Services	5.8%

Source: Morningstar.ca

### A slightly lower yield

The average yield for this year's version is 6.1% — 50 basis points fewer than the 2017 version. If 2018's capital appreciation is anything like 2017's, the difference is negligible.

I've written about every one of the companies in the last year, with RioCan being the only stock I'm not entirely sold on. Recently, I [picked First Capital Realty Inc.](#) (TSX:FCR) over RioCan, despite its announcement that it was selling close to \$1.5 billion in malls in smaller communities across Canada to focus on the top six metropolitan markets, including Toronto. I think it's a smart move. For that reason and the fact First Capital Realty's yield is below 5%, I've included RioCan.

Of the remaining four stocks, [Alaris Royalty](#) is the one that gives me the most difficulty. Don't get wrong; it's got a great business model, but investors can't or won't take the time to understand why this alternative lender has got a bright future. Until this changes, I'm afraid we'll just have to live with the nearly 8% yield.

In early January, I included Exchange Income in my [dividend ladder](#), where I picked one stock yielding 1%, 2%, 3%, 4% and 5%, with EIF the highest-yielding stock. So far this year, it's been a disappointment, down 13% year to date. However, coming off two tremendous years which saw it deliver a total annual return of 53% in 2016 and 31% in 2015, it's got a better chance of heating up once more.

My penultimate pick is Superior Plus. If you barbecue using propane, you've probably heard of them, because they're Canada's largest propane distributor. In August 2016, [it moved](#) to sell its profitable construction products distribution business for \$420 million, so it could better focus on its two remaining businesses. That's worked out well, as both revenues and profits are up, as is its stock.

Finally, in the healthcare sector, I've gone with [Sienna Senior Living](#), an operator of long-term care and retirement facilities primarily in Ontario. With the long-term care situation in Ontario only getting worse, Sienna is in a prime position to benefit from any changes the government makes to provide additional care for our growing cohort of retirees.

I kind of like this year's version of the Triple 5.

## CATEGORY

1. Investing

## TICKERS GLOBAL

1. TSX:AD.UN (Alaris Equity Partners Income Trust)
2. TSX:CHR (Chorus Aviation Inc.)
3. TSX:CIX (CI Financial)
4. TSX:EIF (Exchange Income Corporation)
5. TSX:FCR.UN (First Capital Real Estate Investment Trust)
6. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
7. TSX:REI.UN (RioCan Real Estate Investment Trust)
8. TSX:RSI (Rogers Sugar Inc.)
9. TSX:SIA (Sienna Senior Living Inc.)
10. TSX:SPB (Superior Plus Corp.)

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1. Investing

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