



5 Dividend Stocks to Target in Light of Recent Economic News

Description

After Canadian GDP shrank in August, experts and analysts are expecting a continued cool-down of the economy in the latter half of 2017. Investors may want to take profits from some of their growth options and shift to income-yielding stocks. Here are five of my top picks right now.

Emera Inc. ([TSX:EMA](#)) is a Halifax-based energy and services company with investments in energy generation, transmission and distribution, gas transmission, and other energy services. Emera stock has increased 6% in 2017 as of close on November 1 and 3.1% year over year. With the Bank of Canada standing pat on interest rates, utilities remain a very attractive income option.

In its second-quarter results, the company reported year-to-date net income of \$413 million compared to \$252 million in 2016. The stock offers a dividend of \$0.56 per share with a 4.7% dividend yield.

AutoCanada Inc. ([TSX:ACQ](#)) operated franchised automobile dealerships across Canada and offers automotive products and services, including new and used vehicles. AutoCanada is my [top stock pick](#) for the month of November. Canada is on its way to posting record vehicle sales in 2017, as recent retail sales numbers showed new and used automobile adjusted sales were up 12.9% and 18.4%, respectively, year over year.

AutoCanada is expected to release its third-quarter results on November 10. The company last announced a dividend of \$0.10 per share, representing a 1.7% dividend yield.

Linamar Corporation ([TSX:LNR](#)) is the second-largest automobile parts manufacturer in Canada and is active in over 50 locations worldwide. The stock has increased 37.9% in 2017 and 47% year over year. I recently [covered](#) the stakes of NAFTA negotiations and how they relate to Linamar. Automotive parts sales were reported to be up 7.4% year over year as of August, according to Statistics Canada.

Linamar offers a modest dividend of \$0.12 per share with a 0.6% dividend yield.

MTY Food Group Inc. ([TSX:MTY](#)) owns and operates quick-service restaurants, including chains like Extreme Pita, Country Style, Thai Express, and others. MTY stock has increased 0.5% in 2017 and 4.9% year over year. Specialty food retail sales were up 1.4% in August and 9.9% year over year. In its

second-quarter results, the company saw system sales climb 54% and EBITDA jump 49% to \$26.7 million.

This stock also offers a small dividend of \$0.12 per share, representing a 0.9% dividend yield.

Laurentian Bank of Canada ([TSX:LB](#)) is a Montreal-based regional bank that operates in Quebec. Shares of Laurentian have climbed 3.8% in 2017 and 20% year over year. Quebec has shown impressive economic growth and fiscal performance in recent years. In its third-quarter results, Laurentian posted 21% growth in net income to \$54.8 million compared to \$45.1 million in Q3 2016. A strong Quebec housing market saw residential mortgage loans through independent brokers and advisors up 17% year over year.

The stock boasts a dividend of \$0.62 per share with a 4.1% dividend yield.

CATEGORY

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2. TSX:EMA (Emera Incorporated)
3. TSX:LB (Laurentian Bank of Canada)
4. TSX:LNR (Linamar Corporation)
5. TSX:MTY (MTY Food Group)

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