3 Dividend Stocks in Growing Sectors

Description

In the recent Statistics Canada GDP report, 12 out of 20 industries experienced growth, even as August GDP shrank 0.1%. Let's look at three dividend stocks in industries that experienced growth in this most recent report.

Equitable Group Inc. (TSX:EQB) is a Toronto-based alternative lender. Its stock has climbed 7.1% month over month as of close on November 10. Shares are up 3% in 2017, even after the stock took a major hit during the crisis at **Home Capital Group Inc.**, which spilled over into the entire housing sector.

In the latest GDP report real estate, rental and leasing rose 0.2%. The Ontario housing market has started to bounce back after a late spring and summer correction. I have also discussed how a late 2017 surge in home sales could propel alternative lenders with buyers looking to avoid the new stress test that will come for uninsured buyers in 2018. Recent results from the Toronto Real Estate Board already indicate that we are about to see an upswing in the last two months of this year.

Equitable Group released its third-quarter results on November 9. Net income jumped 7% from Q3 2016 to $37.9 million but was 3% lower than the second quarter of 2017. Mortgages under management grew to $22.8 billion — up 14% from the previous year. The company also announced that it would hike its dividend 4.2% from August to $0.25 per share.

Jamieson Wellness Inc. (TSX:JWEL) is a Toronto-based manufacturer, distributor, and market of sports nutrition products and health supplements. Shares have increased 33% since its initial public offering on July 7. The company is a fantastic long-term target, as it hopes to take advantage of an aging population, which I discussed here. In the August GDP report, health care and services experienced growth of 0.3%.

Jamieson Wellness released its third-quarter results on November 9. Revenue jumped 45% to $80.1 million and adjusted net income climbed 210% to $7.8 million. The company saw strong performance across the board and continues to forecast strong revenue for the full fiscal year. The stock offers a dividend of $0.08 per share with a 1.5% dividend yield.

Corby Spirit and Wine Ltd. (TSX:CSW.A)(TSX:CSW.B) is a marketer and distributor of spirits and wines. Shares have increased 3.5% in 2017 and dipped 1.1% year over year. Beer wine and liquor stores have experienced 1.2% year-over-year growth in seasonally adjusted retail sales as of August 2017. Interestingly, wine and spirits have steadily eaten into the proportion of the total alcohol market, shrinking the market share of beer. Wine is particularly popular among millennials as a drink of choice.

Corby Spirit and Wine released its fiscal 2018 first-quarter results on November 8. Revenue increased 4% in the quarter, though the company made note of a dip in shipment performance due to an overabundance of shipments by the LCBO in anticipation of a possible strike that was ultimately averted. The stock offers an attractive dividend of $0.22 per share, representing a 4.2% dividend yield.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:CSW.A (Corby Spirit and Wine Limited)
2. TSX:EQB (EQB)
3. TSX:JWEL (Jamieson Wellness Inc.)

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aocallaghan