

## Hungry for Income After Tax Season? Buy These 3 Stocks

### Description

The S&P/TSX Composite Index rallied nicely in the last weeks of April. In mid-April, a number of fund managers had sounded the alarm over the [attractive valuation of the TSX](#), and the index has followed suit. There are still some nice growth plays on the TSX, but today I want to look at three stocks that can also provide income for your portfolio as we come close to the end of the first half of 2018.

Below are my top three dividend stocks to scoop up this month.

#### **Open Text Corp.** ([TSX:OTEX](#))([NASDAQ:OTEX](#))

Open Text is a Waterloo-based company that develops and sells enterprise information management. Shares of Open Text have climbed 2.4% in 2018 as of close on April 27 and are down 3.2% year over year. The company is set to release its fiscal 2018 third-quarter results in early May.

In the second quarter, Open Text reported year-over-year revenue growth of 35% to \$734 million. Total annual recurring revenues were up 30.8% year over year to \$516.2 million, and professional services revenues surged 65.2%. Adjusted EBITDA increased 45.2% to \$290.1 million.

The company declared a quarterly dividend of \$0.132 per share, representing a 1.4% dividend yield.

#### **Aecon Group Inc.** ([TSX:ARE](#))

Aecon Group is a Toronto-based construction and infrastructure development company that services both the public and private sectors. Shares of Aecon Group have dropped 10.4% in 2018 but are up 10.3% year over year. The company released its 2017 fourth-quarter and full-year results on March 6.

Adjusted EBITDA was down to \$156.5 million compared to \$158.3 million in the prior year. The company reported a loss of \$19.2 million, or \$0.32 per share, compared to a loss of \$18.3 million, or \$0.32 per share, in the prior year. It also posted a backlog of \$4.6 billion compared to \$4.2 billion. Investors are anxiously awaiting the results of a bid from China-based CCCC International Holding Ltd. of \$1.5 billion. Aecon Group has extended a self-imposed deadline to July 13, as the federal government is in the process of reviewing the deal.

Aecon Group maintained its annual dividend of \$0.50 per share, representing a 2.8% dividend yield.

#### **CAE Inc.** ([TSX:CAE](#))([NYSE:CAE](#))

CAE is a Quebec-based company that specializes in the aerospace and defence industry. Shares of CAE have climbed 4.4% in 2018 thus far. The stock has increased 16.9% year over year. In the fourth quarter of 2017, revenue grew 2% year over year to \$734.7 million. The company reported a record \$7.4 billion backlog, representing an 18% year-over-year increase.

There is reason to be optimistic in the aerospace and defence industry, considering the [increases in military spending](#)

being announced in the United States, Canada, and other parts of the developed world. Canada has pledged to hike its military spending 70% over the next decade. CAE, which was awarded with defence contracts of \$175 million in July 2017, should continue to benefit from this growth.

CAE last announced a dividend of \$0.08 per share, representing a 1.4% dividend yield.

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1. Investing

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1. Editor's Choice

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