



## 3 Attractive Canadian Dividend Stocks Yielding 5%

### Description

The sell-off in [dividend stocks](#) is providing investors with an opportunity to pick up some top-quality companies at reasonable prices.

Let's take a look at three solid names that deserve to be on your radar today.

#### **Algonquin Power and Utilities Corp.** ([TSX:AQN](#))([NYSE:AQN](#))

Algonquin owns a portfolio of regulated and unregulated power generation, transmission, and utility businesses including hydroelectric, wind, solar, and gas assets, primarily located in the United States.

The company has grown over the years through strategic acquisitions and organic developments, and that trend continues. Algonquin is boosting its ownership position in Atlantica Yield and is working through its purchase of St. Lawrence Gas Company to increase its regulated utility distribution group.

The company also recently completed its 75 MW Great Bay Solar Facility in Maryland.

Q1 2018 adjusted funds from operations rose 15% compared to the same period last year, and the company just raised the dividend by 10%.

Investors who buy Algonquin today can get a 5.2% [yield](#).

#### **Emera Inc.** ([TSX:EMA](#))

Halifax-based Emera operates electricity generation, transmission and distribution, gas transmission and distribution, and utility energy services businesses.

As with Algonquin, the majority of the assets are located in the United States, but Emera also operates Nova Scotia Power, and businesses in the Caribbean.

The company reported adjusted Q1 net income of \$202 million compared to \$152 million in Q1 last year. Operating cash flow increased 28%.

Emera gets more than 90% of its earnings from regulated businesses, meaning cash flow should be reliable and predictable.

The current dividend provides a yield of 5.6%.

### **Russel Metals Inc. ([TSX:RUS](#))**

Russel Metals operates businesses in three segments, including metals service centres, energy, and steel distribution.

The recovery in the energy sector and strong economic conditions in Canada and the United States should be good news for Russell and its shareholders in the coming years.

The company reported Q1 2018 net income of \$38 million compared to \$30 million in Q1 2017, with strong contributions across the company's business units.

Revenue increased 18% in the metals services business, supported by higher prices and an increase in same-store tons shipped.

Energy products revenue increased 13%, driven by increased valve and fittings revenue and improved line pipe activity.

Steel distribution revenue rose 21%, reflecting higher North American steel prices and stronger demand in the Canadian operations.

The company pays a quarterly dividend of \$0.38 per share. That's good for a yield of 5.3%.

### **The bottom line**

All three companies pay attractive dividends that should be safe. In addition, the extensive U.S. operations provide investors with a great way to play growth in the United States through Canadian companies.

### **CATEGORY**

1. Dividend Stocks
2. Investing

### **POST TAG**

1. Editor's Choice

### **TICKERS GLOBAL**

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. TSX:AQN (Algonquin Power & Utilities Corp.)
3. TSX:EMA (Emera Incorporated)
4. TSX:RUS (Russel Metals)

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