

The 10 Highest-Yielding Canadian Dividend Stocks in the Market Today

Description

Dividend stocks are a tried and tested way to supplement your income — more so if they fetch high yields.

Of course, a high yield doesn't necessarily make a stock good. Consider factors such as dividend stability, growth, and payout ratio before investing, as a very high yield could portend danger.

Knowing the names of top high-yielding stocks is a great starting point for income investors to find hidden gems.

The U.S. 10-year yield hovers around 2.9%, and the Canadian 10-year bond is around 2.2%. The 10 TSX stocks below fetch at least thrice as much in dividend yields today. Note that several real estate investment trusts (REIT), unsurprisingly, make the list, as REITs are required to pass a major chunk of profits in dividends to shareholders.

1. Callidus Capital Corp. (TSX:CBL) — Yield: 22.1%

Callidus provides capital to companies in distressed states that are unable to raise funds from conventional sources. High loan-loss provisions are a real risk, which is why [Callidus incurred a big loss in fiscal 2017](#), sending its share price crashing in recent months and dividend yield zooming to 22%.

Callidus started paying a dividend in 2015 and has paid a dividend every month since April 2016.

2. Corus Entertainment Inc. ([TSX:CJR.B](#)) — Yield: 17.7%

Corus owns 15 conventional television stations, 44 specialty television channels, 39 radio stations, and several brands, including Global Television, OWN: Oprah Winfrey Network Canada, History, National Geographic, and Disney Channel Canada.

The media company shares have been in a free fall in recent months, thanks to disappointing operational numbers that have raised concerns about the prospects for cable television companies, as online streaming gathers steam. Corus pays a monthly dividend.

3. Just Energy Group Inc. (TSX:JE)(NYSE:JE) — Yield: 10.5%

Just Energy is an electric and natural gas utility with two million customers across North America. Lower sales, cash flows, and a high payout ratio in the year ended March 31 raised concerns about the sustainability of the dividend. Just Energy's customer count improved 12% during the year, and management remains committed to dividends, as it deleverages its balance sheet.

After slashing its dividend in 2017, Just Energy has paid a consistent dividend of \$0.125 per share every quarter since.

4. American Hotel Income Properties REIT LP ([TSX:HOT.UN](#)) — Yield: 10.1%

This REIT owns 114 premium hotels across the U.S. Thanks to a net addition of 24 hotels in fiscal 2017, the company's revenue surged 75%, and funds from operations (FFO) jumped 60%. There was a big drop in net income because of impairments on some hotels, and high interest on debt spooked investors — more so in a rising-rate environment.

American Hotel pays a monthly dividend in U.S. dollars. Its current rate amounts to an annualized dividend of US\$0.648 per share.

5. Slate Office REIT ([TSX:SOT.UN](#)) — Yield: 9.9%

A pure-play office REIT, Slate owns 45 properties — an area equal to nearly 7.5 million square feet — primarily in downtown and suburban areas where costs and competition are low. In fiscal 2017, the company reported occupancy rate of 85.8% and a weighted average lease term of 5.8 years. Management is looking to expand in Canada and the U.S. this year.

Slate has paid a monthly dividend since 2013. It paid out 100% of its FFO in dividends in fiscal 2017.

6. Alaris Royalty Corp. ([TSX:AD](#)) — Yield: 9.8%

Alaris provides long-term financing to private companies it calls partners. In return, it gets dividend distributions based on a company's top-line performance. Alaris has 15 partners, of which three account for nearly 44% of total revenue. If a partner's operations are hit, Alaris's revenue and earnings take a beating, pushing its payout ratio to alarming levels.

Alaris has paid a dividend every month since 2008 and last raised it in 2015.

7. BTB Real Estate Investment Trust ([TSX:BTB.UN](#)) — Yield: 9.1%

BTB owns nearly 70 office, commercial (retail), and industrial properties in Canada with an area spanning more than 5.2 million square feet. In fiscal 2017, BTB reported an occupancy rate of 91.4%; net income increased 27.6%, and FFO increased 8.8% thanks to the disposal of non-core assets.

BTB has paid a dividend every month since 2007. Management is committed to maximizing shareholder returns.

8. True North Commercial REIT ([TSX:TNT.UN](#)) — Yield: 9%

True North owns and operates 40 commercial properties with an area of around three million square feet across Canada. Nearly 38% of its revenue comes from government tenants, and another 42% is from credit-rated tenants. In fiscal 2017, the company acquired 10 properties and reported an occupancy rate of nearly 97%, a weighted average lease term of 4.2 years, and a nearly 48% jump in FFO.

True North has paid a dividend every month since 2013.

9. Pattern Energy Group Inc. (TSX:PEGI)(NASDAQ:PEGI) — Yield: 8.8%

Pattern owns wind, solar, and other renewable energy facilities in Canada, U.S., and Japan. The company's losses widened in fiscal 2017 because of higher expenses related to acquisitions and interest, despite 16% growth in revenue.

Because Pattern sells almost 92% of its power generation under fixed-price contracts, it enjoys stable cash flows. Pattern pays a quarterly dividend, increased its dividend 15 times, and grown it by 35% since its IPO in 2013.

10. AltaGas Ltd. ([TSX:ALA](#)) — Yield: 8.4%

AltaGas is an energy infrastructure company, owning more than 1.7 gigawatts of renewable energy capacity and utilities that serve 580,000 customers across North America. Its impending costly merger with **WGL Holdings** has left investors wary, but AltaGas is confident of [growing earnings and cash flows](#), while disposing non-core assets to raise funds.

AltaGas has increased its dividend every year since 2010 and grown it at a compound annual rate of 7.5% since. AltaGas pays a monthly dividend and expects to grow the dividend by 8-10% through 2019-2021.

I hope this list helps you find some great dividend stocks, Fools!

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. TSX:AD.UN (Alaris Equity Partners Income Trust)
2. TSX:ALA (AltaGas Ltd.)
3. TSX:BTB.UN (BTB Real Estate Investment Trust)
4. TSX:CJR.B (Corus Entertainment Inc.)
5. TSX:HOT.UN (American Hotel Income Properties REIT LP)
6. TSX:RPR.UN (Ravelin Properties REIT)

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