3 Dividend Stocks to Buy and Forget in a Volatile Market

Description

The S&P/TSX Composite Index bounced back on June 26 and climbed 96 points. This was small consolation following its 266-point plunge on Monday. Indexes south of the border also reported modest gains after a big drop. Investors should not expect respite in the ongoing trade spat that has engulfed the world's top economic powers.

Those of you not content to retreat to a conservative portfolio still have options. Today, we are going to look at three stocks that have attractive growth potential in the long term while also providing income.

Park Lawn Corp. (TSX:PLC)

Park Lawn is a Toronto-based company that specializes in memorialization, cemetery, and funeral industry services. Yes, it is morbid, but aging demographics in North America also mean that we will be contending with more deaths in the coming decades. Park Lawn is a leader in easing that difficult transition for families.

The company released its first-quarter results on May 15. Revenue climbed 44.7% year over year to $27.2 million, and, adjusted for foreign exchange, revenue growth from comparable businesses was 3.1%. Net earnings also rose to $1.6 million compared to $1.2 million in Q1 2017. Adjusted EBITDA increased to $5.8 million from $3.3 million, and adjusted net earnings surged 65.5% to $2.8 million.

On June 21, Park Lawn also announced a monthly dividend of $0.038 per share, representing a 1.8% dividend yield. The stock has climbed 6.3% in 2018 as of close on June 26 and shares are up 28.8% year over year.

Jamieson Wellness Inc. (TSX:JWEL)

Jamieson Wellness is another company that is poised to take advantage of demographic change. The Toronto-based sports nutrition and supplements company has seen its stock rise 18.2% in 2018 so far. In its first-quarter report, revenue rose 8% year over year to $70.1 million, and adjusted EBITDA climbed 11% to $12.7 million.

As mentioned, the most encouraging sign for Jamieson going forward is the demographic trend and the growth of the supplements industry. The baby boomer demographic is a growing consumer of supplements of all kinds, and Jamieson is hoping to leverage that to achieve growth worldwide. A report from Zion Market Research projected the Global Dietary Supplements market to reach $220.3 billion by 2022.

Jamieson also offers a quarterly dividend of $0.08 per share, representing a 1.2% dividend yield.

Andrew Peller Ltd. (TSX:ADW.A)

Andrew Peller is an Ontario-based wine-producing company. Its stock dropped 2.66% on June 26, but shares have climbed 12.6% in 2018 and a stunning 58% year over year. Demographic trends also favour wine relative to other alcoholic beverages. It is the favoured alcoholic beverage of millennials, as beer has suffered a decline in market share over the years.

Andrew Peller released its full-year report for fiscal 2018 on June 6. Sales were up 6.2% from fiscal 2017 on 3.7% organic growth, while the gross margin rose to 41.3%. Adjusted EBITDA climbed 23.7% to $57.2 million in fiscal 2018. The company also announced a 13.9% dividend increase to an annual dividend of $0.205 per share.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:ADW.A (Andrew Peller Limited)
2. TSX:JWEL (Jamieson Wellness Inc.)
3. TSX:PLC (Park Lawn Corporation)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Investing

Date
2025/08/25
Date Created
2018/06/27
Author
aocallaghan