

Ranking the Top 5 Dividend Stocks for Young Investors

Description

Young investors are often encouraged to embrace more risk in their investment strategies considering the long window for capital growth afforded to them. Awareness of high-risk assets like [cryptocurrencies](#) has soared over the past year, while millennials have also been a driving force among retail investors in cannabis stocks. This should not necessarily be dissuaded, but young investors should be increasingly wary in an aging bull market. There is also the rising risk of a trade war that threatens global investment.

Today, we are going to look at my top five dividend stocks [young investors](#) should consider stashing this summer. In addition to solid income, each offers a combination of stability and long-term potential.

TransAlta Renewables Inc. ([TSX:RNW](#))

TransAlta Renewables is a Calgary-based electric utility company that owns and operates energy generation and transmission facilities. Shares have dropped 7% in 2018 as of close on July 12. Nations in the developed world have all made huge commitments to transfer to renewables, and investors should seize the opportunity through active investment. TransAlta stock also boasts a monthly dividend of \$0.07833 per share, representing an attractive 7.5% dividend yield.

Fortis Inc. ([TSX:FTS](#))([NYSE:FTS](#))

Fortis is a utility company based in St. John's. This company is particularly attractive for young investors due to its wide moat and incredible record of dividend growth. Fortis has posted over 40 consecutive years of dividend growth. It has also committed \$15.1 billion to its five-year capital-expenditure plan in an effort to improve margins going forward. Fortis offers a quarterly dividend of \$0.425 per share, representing a 3.9% dividend yield.

Andrew Peller Ltd. ([TSX:ADW.A](#))

Andrew Peller is an Ontario-based wine-producing company. Shares have climbed 7.8% in 2018 as of close on July 12, and the stock is up over 50% from the prior year. Millennials should be particularly interested in wine stocks as their demographic has propelled wine to a dominant market share in the alcohol beverage industry. This growth is forecasted to continue into the next decade as beer consumption is trending downward.

Andrew Peller offers a quarterly dividend of \$0.0513 per share.

Brookfield Renewable Partners LP ([TSX:BEP.UN](#))([NYSE:BEP](#))

Brookfield Renewable Partners owns a portfolio of renewable power-generating facilities across the globe. Shares were down 8.6% as of close on July 12, and the stock was down 3.7% year over year. This company is attractive for the same reasons as TransAlta, and funds from operations rose to \$193 million compared to \$166 million in the prior year. It also announced a quarterly dividend of \$0.49 per

share, representing a 6.1% dividend yield.

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

CAE is a Quebec-based aerospace and defence company. Shares have climbed 18.2% in 2018 as of close on July 12 and were up 21.9% year over year. The developed world has committed to steady increase in defence spending across the board, and companies like CAE stand to gain going forward. In fiscal 2018, defence booked a record \$1.4 billion in orders.

CAE also announced a dividend of \$0.09 per share, representing a 1.3% dividend yield.

CATEGORY

1. Dividend Stocks
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TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. NYSE:CAE (CAE Inc.)
3. NYSE:FTS (Fortis Inc.)
4. TSX:ADW.A (Andrew Peller Limited)
5. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
6. TSX:CAE (CAE Inc.)
7. TSX:FTS (Fortis Inc.)
8. TSX:RNW (TransAlta Renewables)

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Date

2025/08/16

Date Created

2018/07/14

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