



2 Income Beasts With Yields Over 8% to Consider Today

Description

The **S&P/TSX Composite Index** was back in negative territory in morning trading on August 10. As of this writing, the index was down triple-digits, seemingly the culmination of a week that has seen Canadian markets shaken by a diplomatic dispute with Saudi Arabia.

This unforeseen event has exacerbated an already tenuous situation for Canadian investors. Many are already mulling over the possibility of auto tariffs that could be imposed by the Trump administration before year's end. There has been [some optimism](#) from all camps as NAFTA negotiations are set to recommence, but investors have seen the rug pulled out from under them during these talks in the past.

The current environment may make things difficult for investors looking ahead to the latter months of 2018. Today we are going to look at two stocks that boast yields over 8%. As volatility rears its head once again, it may be prudent for some to seek out stocks that offer good value and attractive income. The two that we will focus on today fit that bill.

AltaGas Ltd. ([TSX:ALA](#))

AltaGas stock has dropped 11.2% in 2018 so far. Shares are down 8.2% over the past month as oil and gas prices have retreated from annual highs. Canadian energy stocks began a strong rally in mid-April that extended into the summer. Geopolitical crises in the Middle East and soft inventories drove up prices, but larger producers like Russia and Saudi Arabia pushed to quickly end OPEC's production halt. This has eased the price hikes as we look ahead to the fall.

AltaGas released its second-quarter results on August 1. The company achieved normalized EBTIDA of \$166 million, which was in line with projections. It maintained its outlook for the remainder of 2018 and expects EBITDA to grow between 25-30% and normalized funds from operations to grow between 15-20%. The company expects to continue its divestment of assets and rely on the strength of its "standalone" business.

The board of directors approved a dividend of \$0.1825 per share, representing an attractive dividend yield of 8.5%.

Corus Entertainment Inc. ([TSX:CJR.B](#))

Corus Entertainment is a Toronto-based media company. Its stock has suffered in 2018, and is down 64% as of early afternoon trading on August 10. In July I'd [discussed the various challenges](#) faced by Corus going forward, chief among them the decline of traditional television. This is an existential threat for the industry, and investors should expect big changes at Corus going forward.

Even highly successful television models like the one seen at HBO are under pressure from streaming sites like **Netflix, Inc.** HBO's parent company, **AT&T Inc.** is now pressuring the network to produce more content in order to compete with Netflix and the rise of other streaming services.

For the time being, Corus is priced under \$5 per share and offers up a beefy 27% dividend yield. It boasts a monthly payment of \$0.095 per share.

CATEGORY

1. Energy Stocks
2. Investing

TICKERS GLOBAL

1. TSX:ALA (AltaGas Ltd.)
2. TSX:CJR.B (Corus Entertainment Inc.)

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