



Young Investors: 3 Must-Own Dividend Stocks for Your TFSA

Description

Over the summer, we have discussed why the present environment is a unique one for young investors. Many millennials entered the workforce after the financial crisis and have never experienced a sharp downturn. History tells us that a future downturn is inevitable, but forecasting a time frame is a foolhardy endeavour. Conventional wisdom informs young investors to “ride it out,” as the trajectory of the stock market has steadily pointed upward in the modern era.

This is not bad advice per se, but the mantra of “set it and forget it” that has yielded success for those who have invested in ETFs or index funds may be coming to an end. Rising rates and global trade tensions are a sign that we are entering a more volatile period. This may not lead to a violent pullback, but it will likely reward more active investors going forward.

With that in mind, today we will go over three attractive options for young investors on the hunt for capital growth potential and income to supplement their portfolios.

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

Andrew Peller is a wine-producing company based in Ontario. The [popularity of wine](#) among younger generations in North America and internationally has powered a rise in its global market share. Look to China, which is projected to post wine sales that will exceed Britain and France by 2020. Wine sales have also increased in Canada, as the market share for beer has dropped.

Andrew Peller released its fiscal 2019 first-quarter results on August 8. Adjusted EBITDA climbed 24.1% to \$17.9 million, and adjusted earnings rose to \$9.7 million compared to \$8.2 million in the prior year. The board of directors also approved an annual dividend increase to \$0.2050 per share on its Class A shares. Shares are up nearly 200% over a three-year period as of close on August 22.

Jamieson Wellness ([TSX:JWEL](#))

Jamieson Wellness is a Toronto-based sports nutrition and supplements company. From the beginning, Jamieson leadership brandished the growth trajectory of the international supplements market. The company released its second-quarter results on August 8.

Revenue climbed 8.2% year over year to \$77.1 million on the back of 79.2% growth in international revenue. Its Strategic Partner revenue also increased 26.6%. The board of directors authorized a dividend increase of \$0.01 for the upcoming third quarter. Jamieson also boosted its full-year outlook by \$5 million to \$10 million.

Genworth MI Canada (TSX:MIC)

Genworth MI Canada stock has climbed over 20% year over year as of close on August 22 in spite of choppy conditions for Canada housing. In June, I went into greater detail in detailing why Genworth remains [my top housing stock](#). In the second quarter, Genworth posted solid year-over-year growth in transactional premiums written and premiums earned. Rate tightening has boosted results at Genworth and should continue to do so as the housing market stabilizes.

Best of all, Genworth offers an attractive quarterly dividend of \$0.47 per share, representing a 4.2% dividend yield.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:ADW.A (Andrew Peller Limited)
2. TSX:JWEL (Jamieson Wellness Inc.)

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