3 White-Hot (Non-Marijuana) Stocks Soaring to New Highs

Description

Marijuana stocks are on fire — again.

Driven by the news that beverage gorilla **Coca-Cola** is interested in teaming up with **Aurora Cannabis** to develop a CBD-infused drink, all major weed plays jumped last week, with the likes of **Cronos Group** and **Hexo** even busting through to new 52-week highs.

But speculative pot stocks aren't the only ones doing well. For more conservative investors, here are three dividend-paying stocks that also hit new highs last week.

While they don't have the "quick-double" appeal of weed stocks, their lower-risk nature gives them a better chance at sustained momentum.

Remember, Fools: buying into well-managed dividend stocks is the most reliable way to wealth.

Dividend dominion

Our first stock is none other than **Toronto-Dominion Bank** (TSX:TD)(NYSE:TD), whose shares hit a high of $80.05 on Friday. Over the past year, the banking giant is up 15% versus just 5% for the **S&P/TSX Composite Index**.

TD is benefiting from strong retail operations both in Canada and the U.S. In Q2, TD posted adjusted EPS of $1.66 (or $3.1 billion), up nicely from $1.51 (or $2.9 billion) in the year-ago period.

Growth down south was especially strong, as U.S. retail revenue increased from $900 million in Q2 2017 to $1.1 billion. Strong loan and deposit volume, higher margins, and U.S. tax reform help all helped boost business.

With the stock boasting a still-attractive yield of 3.4%, there should be plenty of room for income investors to jump in.

Energetic performance

Gibson Energy Inc. (TSX:GEI) is our next dividend momentum stock, hitting a new 52-week high of $20.75 on Friday. Over the past six months, the midstream energy company has risen a solid 22% versus just 0.6% for the **S&P/TSX High Income Energy Index**.

Last year, Gibson embarked on a major restructuring process, and its initiatives are clearly taking hold. In Q2, the company generated distributable cash flow of $78 million, up 80% from the year-ago period.

Moreover, Gibson closed the sale of several U.S. energy services businesses for gross proceeds of $126 million — with continued progress on the sale of its remaining non-core assets.

On the dividend front, the company also managed to decrease its payout ratio range to 70%-80%. So, with Gibson shares sporting a fat yield of 6.9%, the risk/reward trade-off certainly remains enticing.

Montreal mover

With its stock hitting a new 52-week high of $108.92 on Friday, **Bank of Montreal** (TSX:BMO)(NYSE:BMO) rounds out our list of hot dividend plays. Over the past year, BMO has gained 17%, while the **S&P/TSX Capped Financials Index** is up 7%.

Like its banking gorilla brethren TD, BMO is profiting from strength on both sides of the border. In Q2, adjusted EPS came in at $2.36, well above the consensus estimate of $2.26 and $2.03 in the year-ago period.

In the U.S., BMO's adjusted profit spiked 34% to $376 million, while its core Canadian banking segment posted earnings growth of 5%.

Given the strong interest rate and economic tailwinds still working in BMO's favor, income investors might want to keep riding the wave.

Even after the recent run-up, BMO still offers a rather healthy yield of 3.6%.

Fool on.

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bpacampara