



Income Investors: 3 Stocks With Reliable Dividends and 5-6% Yields

Description

Income investors are constantly searching for companies that pay reliable and growing distributions.

Some businesses even give investors a piece of the profits on a monthly basis, which is great for retirees who are searching for cash flow to complement their pensions.

Let's take a look at three stocks that might be interesting picks for an [income portfolio](#) today.

Keyera ([TSX:KEY](#))

Keyera is one of Canada's largest players in the midstream energy sector. The company has operations all along the value chain, including gas and liquids gathering, processing, storage, transportation, and marketing.

Growth continues with \$2.4 billion in approved capital projects. As the new assets go into service, cash flow should increase enough to support ongoing dividend hikes. Keyera's payout ratio is 56% over the past 12 months and the company has a compound annual dividend-growth rate of 8% over the past 15 years.

The monthly distribution of \$0.15 per share currently provides an annualized yield of 5.5%.

BCE ([TSX:BCE](#))([NYSE:BCE](#))

BCE just reported strong results for Q3 2018. Adjusted net earnings increased 4.5% compared to the same period last year, supported by the addition of 266,000 new wireless, TV, and internet customers. The company's fibre-to-the-premises roll-out has now connected 4.4 million homes and businesses in seven provinces.

BCE generated \$1 billion in free cash flow in the third quarter and remains on track to hit all of its financial targets for 2018. The board raises the payout every year, and that trend should continue in step with free cash flow growth.

The current dividend provides a [yield](#) of 5.9%.

Power Financial (TSX:PWF)

Power Financial is a holding company with interest in some of Canada's leading insurance, wealth management, and asset management businesses.

The company reported record adjusted net earnings for Q2 2018, supported by solid performances from its **Great-West Lifeco** and **IGM Financial** subsidiaries. Rising interest rates are here to stay, and that tends to be good for insurance companies, as they can generate better returns on funds invested in fixed-income holdings.

Power Financial raised the dividend by 5% earlier this year, and investors should see another increase in 2019. The current yield is 6.1%.

The bottom line

Keyera, BCE, and Power Financial all pay attractive dividends that should continue to grow. If you have some cash available, these stocks might be good picks today for an income-focused TFSA portfolio.

Other top picks are also worth considering after the recent pullback.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. TSX:BCE (BCE Inc.)
3. TSX:KEY (Keyera Corp.)

PARTNER-FEEDS

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

Category

1. Dividend Stocks
2. Investing

Date

2025/08/20

Date Created

2018/11/03

Author
aswalker

default watermark

default watermark