



## The Problem With Bitcoin, and 3 Dividend Stocks That Make a Lot More Sense

### Description

Bitcoin plunged more than 12% on Wednesday, virtually out of the blue, after building a solid base at the US\$6,000 mark.

The problem with Bitcoin and the other alt-currencies, for that matter, is that their fundamental characteristics defy the logic of traditional asset classes.

Why?

Well, frankly speaking, assets are considered assets because they provide a utility to their owners.

This usually comes from some type of output that can be converted into cash or, in some cases, like with stocks of publicly traded companies and fixed-income investments, the asset is a security that pays its owners a regular cash stream, either a dividend or coupon receipt.

Bitcoin, however, doesn't generate any utility (for the moment at least) and is solely reliant on the speculative value that other investors are willing to place on it.

The problem being that if demand for cryptos suddenly vanishes, as it did this week, investors still holding the coin in their wallets are simply left holding the bag.

Meanwhile, here are three [dividend stocks](#) from the TSX Index that you can count on in good times and bad.

**Intertape Polymer Group** ([TSX:ITP](#)) is a boring company, but as crypto investors found out this week, sometimes boring can actually be good.

Intertape is a manufacturer and seller of a variety of tapes, including the tape that you use to cover the interior of your home during a renovation. It's also a seller of packaging tape that's often used by companies that fulfill and deliver online orders through courier services.

It's not all that surprising then that ITP has seen some solid growth from that side of the business in

recent years, which has enabled it to make some key strategic acquisitions and expand its production facilities.

Not to mention that ITP is paying a 4% yield and should be able to increase that payout going forward once its expansion projects have been completed.

**CI Financial Corp** ([TSX:CIX](#)) was my [top stock of the month for November](#).

One of the most important things you should know about CIX stock is that its stated dividend yield of 3.6% is massively understating the actual value of cash that the company is planning to return to shareholders over the next 12-18 months.

On top of that, the stock has been extremely oversold so far in 2018, which can sometimes be a good indication that sentiment towards the company is due for a reversal.

**Brookfield Renewable Partners** ([TSX:BEP.UN](#))([NYSE:BEP](#)) is another great stock.

The great thing about BEP is that the company is exposed to renewable energy markets, which are expected to experience significant growth and investment over the next 20 years.

And the stock's 6.95% dividend yield is supported by the long-term contracts that BEP has in place with various governments and institutional investors.

It's a company that should be a lot bigger than it is today, and as it continues to expand its portfolio of renewable power projects, shareholders should expect successive increases to the current dividend payout.

Plus, those shareholders also get the benefit of a 6.95% yield while they wait.

## CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
3. TSX:CIX (CI Financial)
4. TSX:ITP (Intertape Polymer Group)

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