



3 TSX Dividend Stars That Will Make You Rich

Description

Identifying and investing in income-producing stocks remains one of the key objectives of any well-balanced portfolio. Finding investments that not only provide a good income, but also an income stream that itself continues to grow and is stable can make the difference between a comfortable retirement and needing to work several years longer.

Here are a few great investments worthy of consideration that can provide that strong growth and income-generating capacity that your portfolio needs.

Exchange Income Corporation ([TSX:EIF](#)) is an interesting pick that strangely goes unnoticed by a lot of investors. For those who are unaware, Exchange income owns over one dozen subsidiary companies that are broadly broken down into two groups: aviation and manufacturing.

On the aviation front, Exchange owns several subsidiary airlines that serve remote regions of the country or provide necessary cargo or surveillance functions. This is an interesting and often overlooked advantage of the company, as businesses that perform necessary functions in underserved areas of the country with little competition often translate into a recipe for success.

Turning to the manufacturing segment, Exchange offers the same limited competition / high-value business mix that includes a manufacturer of stainless tanks and processing equipment, a sheet metal and tubular manufacturer, as well as one company that constructs and installs cell-phone towers.

All of the businesses are cash-flow positive. Together they make a compelling and well-diversified pick for any portfolio. In terms of income-earning potential, Exchange Income offers a monthly distribution that currently pays out an appetizing 7.03% yield.

Shaw Communications ([TSX:SJR.B](#))([NYSE:SJR](#)) is another favourite among dividend-seeking investors. Apart from Shaw's monthly distribution that pays out an incredible 4.70% yield, Shaw makes a [compelling investment case](#) for those investors who are also looking for growth.

As the fourth largest telecom in the nation, Shaw lags behind the Big Three in terms of wireless coverage at the moment, but new Shaw's Freedom Mobile wireless solution is also a segment with

massive potential.

Shaw divested its media arm to become a pure-play telecom and finance the purchase of the former Wind network. In doing so, Shaw inherited Wind's former reputation as being a market disruptor that could lure customers away from the Big Three onto its growing network. To date, the company has captured over 5% of the market in a little over a year and continues to make inroads into the sector with each passing quarter.

Another reason that investors may want to consider Shaw is that the company is trading down over 10% year-to-date, making it a great long-term buy at a discounted rate.

It's literally impossible to write about several great income-producing investments without mentioning at least one of Canada's Big Banks. Today that honour goes to **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)), which has flirted with becoming the largest of the Big Banks over the course of the past few months.

Despite being a Canadian bank, TD operates most of its branches within the U.S., which is just one reason why this bank makes for such an [interesting buy](#).

In the aftermath of the Great Recession, TD managed to acquire several regional banks along the East coast, stretching from Maine to Florida. Rebranded as TD Bank and advertised as being "America's most convenient bank," TD has quickly ascended to become one of the largest banks in the U.S. In doing so, it has benefited from higher interest rates and larger deposits.

In short, since heavily expanding into the U.S. market, TD has become a money-making machine.

Turning to income potential, TD offers investors a respectable quarterly dividend that pays out a yield of 3.74% and the stock currently trades at under \$72 with an attractive P/E of just 12.29.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:SJR (Shaw Communications Inc.)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:EIF (Exchange Income Corporation)
4. TSX:SJR.B (Shaw Communications)
5. TSX:TD (The Toronto-Dominion Bank)

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