Income Investors: 3 Stocks That Are Yielding Up to 7.8%

Description

Earning dividend income is a great and easy way to pad your portfolio without having to do anything. And when dividend stocks drop in price, their yield goes up and you're able to lock in at a higher payout percentage. Below are three stocks that fit that criteria and that could be great buys today.

NFI Group Inc (TSX:NFI) has declined nearly 30% in just the past three months, and the stock is now paying a dividend of 4.1%. That's a very respectable payout for a company with strong growth prospects and excellent financials.

It trades at a very modest 12 times earnings and less than three times book value, making it a great value buy as well.

Why the stock has been on this big of a decline lately is a bit of mystery. Its most recent earnings report didn't seem to inspire investors, although NFI was able to grow sales by more than 11% and earnings were up as well.

NFI is trading around its 52-week low, and the last time it was trading this low was back in April of 2016. Not only could you get a strong yield secured, but you could also get this stock at a very good price and benefit from capital appreciation as well.

Premium Brands Holdings Corp (TSX:PBH) is down more than 22% since the start of the year and the food stock has started to rally after hitting a new low for the year. Premium Brands did see its stock take a bit of a dive after its most recent earnings release, but the stock has been a strong decline for the whole year.

Like NFI, Premium Brands has done very well recently with the company recording record numbers in Q3, and continues to provide investors with stable and consistent profits.

The food stock has dozens of brands in its portfolio that have helped the company achieve significant growth over the years, and that's a pattern that's likely to continue for the foreseeable future.

As a result of the decline in price, Premium Brands is now paying investors a modest 2.4% annually.

It's not a terribly high payout, but it's one that the company has grown over the years.

Maxar Technologies Ltd (TSX:MAXR)(NASDAQ:MAXR) has seen its share price get cut in half in just the past three months. The stock went over a cliff when its earnings missed expectations as that sent investors into a panic. While the company did achieve good sales growth, it recorded a big loss thanks to impairment losses and inventory write-downs.

Next quarter is going to be a big one for Maxar to see if the company can rebound and convince investors that it's still a good buy. Maxar is doing a lot of good things in space and robotics and with the stock trading well below its book value, it could be a bargain buy.

Currently, it is also paying investors a very high 7.8% as a result of the big drop in price.

Although it may look like a risky buy today, Maxar is a stock that I'd keep a close eye on as it could produce significant returns given the potential that it possesses.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:MAXR (Maxar Technologies)
2. TSX:NFI (NFI Group)
3. TSX:PBH (Premium Brands Holdings Corporation)

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