Need Extra Income in 2019? Here Are 3 Top Stocks Yielding 5-9% to Buy Now

Description

Hey there, Fools. I'm back to highlight three attractive high-yield dividend stocks. Why? Because, when chosen correctly, high-yield plays can

- provide a significant stream of income in both bull markets and bear markets;
- offer lower volatility than the average stock; and
- outperform the market over a prolonged period of time.

Studies show that dividends account for more than 50% of the stock market's long-term returns. So, it only makes sense to dedicate a decent chunk of your portfolio to solid high-yield plays.

Let's get to it.

Bankable situation

Kicking things off is **Laurentian Bank of Canada** (TSX:LB), which currently sports a dividend yield of 6.7%. Shares of the Montreal-based bank are down 33% over the past year versus a loss of 11% for the **S&P/TSX Capped Financial Index**.

Weak margins and slowing mortgage sales have weighed heavily on the stock, but things might be looking up for 2019. For the full year 2018, Laurentian's adjusted income and total revenue both managed to increase 5%. Moreover, net interest margins expanded 10 basis points.

"[W]e are investing in the right places to support future growth and expect to maintain a strong balance sheet into 2019," said CEO Francois Desjardins.

With a still-comforting payout ratio of 40%, Laurentian's mouth-watering yield might be worth biting into.

Saved by the bell

Next up, we have **BCE** (TSX:BCE)(NYSE:BCE), whose shares boast a dividend yield of 5.3%. The telecom giant has fallen 9.8% over the past year, while the S&P/TSX Capped Telecommunication Services Index is off 2% over the same time frame.

The stock's weakness in 2018 could be setting up a solid opportunity for the new year. In Q3, BCE's adjusted earnings increased 4.5% as revenue grew 3.2%. More importantly, wireless net additions clocked in at a Q3 record of 177,834, up 66% over the year-ago period.

"Bell's strategy of broadband network investment, ongoing service improvement and efficient operation is delivering leading results in the marketplace," said CEO George Cope.

Along with a fat yield, BCE shares sport a reasonable forward P/E in the mid-teens and comforting beta of 0.5.

Chorus of applause

Rounding out our list is **Chorus Aviation** (TSX:CHR), which boasts an especially fat yield of 8.4%. Shares of the airline company are down 40% over the past year versus a loss of 2% for the **S&P/TSX Capped Industrials Index**.

While the stock hasn't performed well over the past year, Chorus's operations are gaining traction. In Q3, adjusted EBITDA came in at $30.8 million, an increase of $3.4 million or 4%. Management cited an improvement in aircraft leasing for the solid numbers.

"The Chorus team executed on our diversification strategy securing leasing and maintenance, repair and overhaul contracts with new international customers," said president and CEO Joe Randell.

Right now, the stock has a paltry forward P/E of 5. Add a still-safe payout ratio of 87%, and Chorus's monthly dividend might be too good to pass up.

The bottom line

There you have it, Fools: three attractive high-yield stocks worth considering.

They aren't formal recommendations, of course. Instead, view them as a jump-off point for further research. A dividend cut can be particularly painful, so plenty of homework is still required.

Fool on.

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1. Investing

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2. TSX:BCE (BCE Inc.)
3. TSX:CHR (Chorus Aviation Inc.)
4. TSX:LB (Laurentian Bank of Canada)

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Date
2025/08/23
Date Created
2018/12/10
Author
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