



## Dividend Aristocrats With Massive 8% Yields

### Description

Stock investing is about winning trades and building wealth. The objective is to beat the market while mitigating the risks. For the clever investors, those goals can be achieved by investing in the so-called Dividend Aristocrats. However, the selected stocks should be paying massive dividend yields of at least 8%.

Given this dividend yield condition, the likely choices would either be **Alaris Royalty** (TSX:AD) or **Ensign Energy Services** ([TSX:ESI](#)). The average dividend yield of the two stocks is about 9.25%. That is massive and favourable to income-seeking investors.

### Building partnerships

The business of royalty stream companies attracts investors, and Alaris Royalty is one of the most popular around. The Calgary-based private equity firm specializes in forming and building “partnerships” with private companies. The company partners with companies and business enterprises across all industries.

Generally, the main thrust is to provide growth capital to the lower and middle market companies and perform management buyouts. In some cases, corporate clients are in later stages or undergoing industry consolidation. Startups or turnarounds are not the target market, and neither are companies that are nearing obsolescence or have declining asset bases.

Industry focus is the key to the success of Alaris Royalty since 2008. The company’s partners are market leaders providing various services such as business, healthcare, information, professional, and distribution/logistics. Some clients are in the industrial sector or sell consumer products.

The average net income for the last four years is a hefty \$49.2 million with corresponding average gross revenue of \$110.3 million. But what is bewitching is the 9% dividend yield. A stock selling below \$20 and paying cash dividends is [a good investment](#). Since 2009, Alaris has consistently paid dividends.

## Drilling specialist

Veteran market players know the drill when scouting for stock investment prospects. Purchase at cheaper, if not reasonable entry points and check out the dividend yields. There is potential capital appreciation and sustained passive income.

The shares of Ensign Energy Services are currently trading at \$4.96, which is astoundingly cheap for a global enterprise. The \$785.7 million company is an energy stock, although the specialization is in drilling and servicing wells. Ensign's services are crucial in the oil and natural gas industry.

With 30 years of proven service, Ensign has become one of the world's strongest consolidated energy service suppliers. While the stock is only up by 3.55% year to date, analysts see a potential 71% price increase in the months ahead.

The current dividend yield is about 9.5%, which is a compelling reason to pick up the stock today. Back in April, investors were already placing Ensign Energy as among the [top high-growth stocks](#). The stock retreated a little but is picking up steam this June. That was the pattern seen during the same period last year.

## Bottom line

Whether you're stockpiling cash, growing life savings, or building a rainy day fund, investing in Dividend Aristocrats like Alaris Royalty or Ensign Energy Services is money in the bank.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. TSX:AD.UN (Alaris Equity Partners Income Trust)
2. TSX:ESI (Ensign Energy Services Inc.)

### PARTNER-FEEDS

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

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