



2 Big Dividend Stocks With Strong Price Momentum

Description

Are you tired of losing money on the stock market? Lower your chances of losing money and increase your chances of [making money by buying safe dividend stocks](#) that have price momentum.

Here are two big dividend stocks that have strong price momentum. The Canadian and U.S. markets offer yields of 2.8% and 1.8%, respectively, but these stocks have yields of close to 5%!

Northland Power

Utility stocks have often been stable investments that deliver juicy income. **Northland Power** ([TSX:NPI](#)) is no exception. The global power producer's historical roots stretch to 1987 when it was founded. It has a focus on clean and green energy, including natural gas, wind, solar, and hydro.

Currently, it has stakes in 2,429 MW of operating generating capacity, while it has 399 MW of generating capacity that is under construction, including an offshore wind project in Germany and a solar project in Mexico. Furthermore, it has a 1,044 MW offshore wind project in Taiwan, which is in advanced development and of which it has a 60% stake in.

Northland's stock price momentum is strong; the share price tends to head higher over time as it completes its projects. Since 2008, the stock has delivered annual total returns of 10.3 with an above-average yield.

At \$25.66 per share as of writing, the stable utility offers a juicy yield of about 4.7%.



Pembina Pipeline

Pembina Pipeline's ([TSX:PPL](#))([NYSE:PBA](#)) financial performance is as stable as a utility's. Its cash flows have been stable and increasing for more than 15 years. And it's a delight to see its payout ratio improving from 72% to 57% since 2015.

Pembina's stock price momentum is strong; the share price tends to increase over time as the company expands its network of energy infrastructure assets. For example, Pembina completed the transformative acquisition of Veresen in 2017, and it was, amazingly, a pretty seamless integration.

In 2014, the stock got ahead of itself by rising to about \$52 per share. Since then, the company has done an excellent job in catching up with increasing cash flow generation on a per-share basis.

By now, the company's profitability has more than caught up to its stock price such that Pembina is undervalued. **Thomson Reuters** has a mean 12-month target of \$55.60 per share on the stock, which represents a decent discount of about 12%. The stock also offers a nice yield of about 4.9%.

Foolish takeaway

Management at Northland Power and Pembina have proven to do an incredible job at running the companies. This is demonstrated with the strong persistence of their stable and growing stock prices.

Moreover, both stocks offer [stable yields of about 5%](#). Investors are more likely to make money than lose money by buying these safe dividend stocks that have price momentum.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Stocks for Beginners

TICKERS GLOBAL

1. NYSE:PBA (Pembina Pipeline Corporation)
2. TSX:NPI (Northland Power Inc.)

3. TSX:PPL (Pembina Pipeline Corporation)

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