



2 Dividend Stocks up More Than 20% in 2019: Investors Should Be Buying More

Description

Shares in chemicals processing company **Chemtrade Logistics** ([TSX:CHE.UN](#)) and those of Toronto-based investment manager **CI Financial** ([TSX:CIX](#)) have both gained at least 20% so far in 2019.

But that doesn't mean that investors should be feeling bad that they missed out — far from it.

I happen to think that both of these dividend-paying stocks still represent outstanding value for long-term-minded dividend and value investors.

Stock in Chemtrade has gained more than 28% off its May lows, vastly outperforming the returns of the TSX Index over the same period.

Yet despite its impressive rally, CHE stock still yields an incredible 12.06% for those investors willing and patient enough to hold on to them over a full 12-month period.

And while some might worry that a double-digit yield like that may serve as some kind of a warning sign as to the risk of a dividend cut down the road, based on management's financial guidance for the upcoming year, I think that if they can manage to deliver on those targets, the existing distribution should be just fine.

Meanwhile, with the stock still trading 40% off its all-time highs from late 2017, if the company can manage to get things back on track, I think this is an outstanding opportunity that could potentially represent [very significant gains over a multi-year holding period](#).

CI Financial is another company that I've [written about previously](#). It's been fighting headwinds as the asset management industry continues to face disruptions from technological advances in avenues like high-frequency trading and fintech.

Some pundits have even forecasted that these types of technologies could put traditional asset managers like CIX out of business one day.

But as a serious investor myself, I don't see it that way at all.

Call me old fashioned or ignorant, if you will, but I just don't see how a computer could have the type of superior decision-making ability that would allow it to make the types of complex decisions required of a successful portfolio manager.

Things like the ability to size up the talent of a management team, the potential demand for a new product, or whether or not to re-elect an organization's existing board of directors are just a few examples of the types of decisions that I think (and I think most would agree with me) are best left to qualified individuals and teams of qualified individuals.

On the contrary, it's my opinion that the latest spell of transitory weakness we've seen on the part of CI's financial performance as well as its share price are great reasons to make a contrarian wager on this stock and its 3.54% annual dividend yield.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:CHE.UN (Chemtrade Logistics Income Fund)
2. TSX:CIX (CI Financial)

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