



TFSA Investors: 3 Stocks Yielding up to 8.2% That Will Help Diversify Your Portfolio

Description

If you're looking for dividend stocks to put in your TFSA, it's important to not only consider the yield but the industry as well to ensure that you diversify your holdings and minimize your overall risk. Below are three stocks that can provide you with good payouts and that will give you exposure to different industries.

Pattern Energy Group (TSX:PEGI)(NASDAQ:PEGI) has performed very well this year, rising by more than 35% since January. For dividend investors that buy today, that may be a little bittersweet, since that means the stock is effectively yielding a lower percentage than what it was at the beginning of the year due to the stronger share price.

However, it's always better to invest in a stock that is performing well than one that is in the midst of a tailspin. Even with the decline in price, Pattern Energy is yielding around 6.5% per year, which is a great payout for an energy stock. The company has shown a lot of consistency in recent years with seven straight reporting periods having sales of more than US\$110 million.

The one concern I'd have, however, is that net income has been in the red for four straight periods, and it's something investors will want to keep an eye on going forward.

Boston Pizza Royalties Income Fund ([TSX:BPF.UN](#)) is always an attractive option for dividend investors, not only because of its high yield, but because payouts are made monthly, which is more frequent than most dividend stocks. It allows the stock to be a more useful tool, as it can not only help long-term investors build wealth, but it can also help short-term investors use the stock as a means of adding [recurring cash flow](#) for their day-to-day needs.

Although the stock is up more than 11% year to date, investors shouldn't rely on a whole lot of capital appreciation to be earned from this stock. It should be seen as a bonus, as it's the 8.2% yield that will provide most of the returns. However, it's still a good buy since you're ultimately investing in one of the top restaurant brands in the entire country.

Telus ([TSX:T](#))([NYSE:TU](#)) rounds out this list with its 4.7% yield. While it is not as high as the other payouts on this list, it's likely the most [stable](#) one of them all. With a beta averaging around 0.4, this is a stock that investors will feel safe with that they don't have to check on every day.

Unless something catastrophic takes place that changes the company's prospects for growth, which is very unlikely, there's little reason to expect much volatility from the stock. Year to date, Telus stock has risen a modest 4.5%, which is still pretty good considering that in 2018 the stock fell by the same amount.

Over the long term, however, investors should expect to see the stock rise in value, just like with any other blue-chip investment. Telus could be a great addition for any investor that's looking to build a dividend empire, especially with the company's reputation for growing its payouts over the years.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:TU (TELUS)
2. TSX:BPF.UN (Boston Pizza Royalties Income Fund)
3. TSX:T (TELUS)

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Date

2025/08/25

Date Created

2019/08/26

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