3 High-Yield Dividend Stocks Gifting up to 5.6%

Description

Hi there, Fools. I'm back to highlight three top high-yield dividend stocks. As a reminder, I do this because stocks with attractive yields

- provide a healthy income stream in both good and bad markets; and
- tend to outperform the market over the long run.

The three stocks below offer an average dividend yield of 4.3%. If you spread them out evenly in a $250K RRSP account, the group will provide you with an annual income stream of $10,750 — on top all the appreciation you could earn.

Let's get to it.

Banking on it

Leading off our list is financial services giant **Toronto-Dominion Bank** (TSX:TD)(NYSE:TD), which currently boasts a juicy dividend yield of 4.1%.

TD's wide international reach, strong diversification, and long history of uninterrupted payments continue to underpin its healthy dividend. In the most recent quarter, TD posted record earnings as revenue improved 6% to $10.5 billion.

TD's adjusted income for its Canadian retail and U.S. retail segments increased 3% and 11%, respectively.

"This was a great quarter for TD, reflecting increased earnings and revenue growth across all of our business segments," said CEO Bharat Masrani. "Our record earnings are a testament to the strength of our diversified business model which enables us to enrich the lives of our customers as we continue to innovate for the future."

TD is up about 7% so far in 2019.

Fortis of strength

With a healthy dividend yield of 3.3%, electric utility **Fortis** (TSX:FTS)(NYSE:FTS) is next on our list of big income stocks.

Fortis's dividend continues to be backed by massive scale ($52 billion in total assets), a highly regulated operating environment, and extremely stable cash flows. In the most recent quarter, adjusted EPS clocked in at $0.54 as revenue inched up 1% to $2 billion.

Looking ahead, management continues to target average annual dividend growth of about 6% through 2023.

"Over the long term, Fortis is well positioned to enhance shareholder value through the execution of its capital expenditure plan, the balance and strength of its diversified portfolio of utility businesses, and growth opportunities within and proximate to its service territories," wrote the company.

Fortis is up about 23% in 2019.

Husky opportunity

Rounding out our list is oil and gas company **Husky Energy** (TSX:HSE), which currently offers a fat dividend yield of 5.6%.

Operational headaches and weak energy prices have weighed heavily on the stock, but now might be an opportune time for investors to jump in. In Q2, Husky generated funds from operations of $802 million, suggesting that the dividend continues to be backed by hefty cash flows.

Looking ahead, management expects full-year production of 290,000-305,000 barrels of oil equivalent per day.

"Our focus remains on capital discipline and consistent execution, while increasing our ability to capture higher margins across the Integrated Corridor and Offshore businesses," said CEO Rob Peabody.

Husky shares are off nearly 60% over the past year.

The bottom line

There you have it, Fools: three top high-yield stocks worth checking out.

As always, don't view them as formal recommendations. Instead, look at them as a starting point for more research. A dividend cut (or halt) can be especially painful, so you'll still need to do plenty of due diligence.

Fool on.

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