



## Revealed: 2 Dividend Stocks You Might Not Have Heard About

### Description

For most Canadian investors interested in steady dividend payouts and high dividend yields, the list probably comprises of the Big Six banks and a handful of top energy and utility stocks. But if you are willing to explore a broader market, you might come across **Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)) and **CAE** ([TSX:CAE](#))([NYSE:CAE](#)) — two overlooked Dividend Aristocrats.

Investors often tend to forget the prerequisite of being a Canadian Dividend Aristocrat. This is why a run for higher dividend yields is more common than picking reliable dividend stocks with modest returns but a long history of increasing dividends.

### Green and clean energy company

With rising climate concerns, alternative energy has become more than a trend. It has become a necessity. Algonquin Power is primarily a renewable energy company with 35 energy facilities across the country. The facilities produce electricity using wind, water, and solar power. The company has been operating since 1988. The two core subsidiaries of the company are Liberty Power and Liberty Utilities.

As a Dividend Aristocrat, the company has increased its dividend payouts for nine consecutive years. The current yield is a sizeable 4.15%. The payout ratio this year is also a sustainable 68%. And the growth of dividends is not the only feather in Algonquin's cap. The company has also increased its market value by 95% over the past five years. This rate means the company has grown by almost 24% every year, like clockwork.

Algonquin [provides a great mix](#) of capital gains and dividends, making it a compelling investment vehicle to couple with your TFSA. The alternative energy business has yet to realize its full potential and is expected to see growth for decades to come. You might want to consider this overlooked stock to strengthen your investment portfolio.

## Aviation leaders and trainers

CAE has a uniquely diversified business portfolio. The three sectors CAE operates in are civil aviation, defence & security, and healthcare. This \$9.13 billion company is considered one of the global market leaders in the training industry. The company creates training simulations for aviation and healthcare and operates in over 35 countries.

The current dividend yield of the company is a modest 1.28%, and the payout ratio is very sustainable at 33.33%. CAE has increased its dividend payouts for 11 consecutive years. The company is currently trading at \$34.28 per share. The market value of the company has increased by 135% in five years, and it has doubled the capital gains of its investors in the past three-and-a-half years.

CAE has an extensive foreign presence, a steady client pool, and dependable revenue streams. This Dividend Aristocrat is often overlooked because of the yield. But as a value investor, you should be taking advantage of the company's fantastic growth rate. With dividend reinvestment and value of capital assets, you will [hopefully end up with](#) a giant enough nest egg to carry you comfortably through your retirement years.

## Foolish takeaway

When you look for stocks, you must go through as many options as you can. A shallow search for stocks might prevent you from finding gems like Algonquin Power and CAE. Even if you hadn't in the past, you have now heard about two new Dividend Aristocrats that you might consider for your portfolio.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:CAE (CAE Inc.)
3. TSX:AQN (Algonquin Power & Utilities Corp.)
4. TSX:CAE (CAE Inc.)

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**Date**

2025/08/24

**Date Created**

2019/11/23

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