



2 Top Canadian Stocks Yielding 6.75% or More

Description

Dividends are attractive for a number of reasons. Firstly, since they pay you numerous times throughout the year, whether it's quarterly or monthly, you can reinvest the dividends to compound your income.

It's also nice to be able to see some of the proceeds of your hard-earned capital at work and decide where you want to invest the funds that have been returned to you.

Dividends can add a major boost to investors' long-term returns in a stock and help investors understand whether or not a stock is undervalued or higher risk for one reason or another.

The most important thing to watch when investing in dividend-paying stocks, especially ones that pay the majority of their earnings back to shareholders, is the sustainability of the dividend.

High-debt loads combined with short-term headwinds can cause major problems for a company's cash flow, so understanding the risks of the business you own and the financial position that it's in is always important to protect your wealth.

High-yield dividends can be extremely attractive, although they can also be a red flag for higher risk. If you have done your research, though, and deemed a company to be in good shape, and it's paying a dividend that has an attractive yield, you could have found yourself a top long-term investment.

This will be even more true if the company can manage to [grow its dividend](#) consistently over time.

Two attractive dividend stocks that grow their dividends often and both yield above 6.75% are **Alaris Royalty** (TSX:AD) and **Brookfield Property Partners** ([TSX:BPY.UN](#))(NASDAQ:BPY).

Alaris Royalty

Alaris is a finance company that has proven to have built a successful portfolio of investments in small businesses across Canada and the United States that provide the company with solid cash flows,

which it uses to pay shareholders.

It's known for its reliable dividend, especially for its high-yield nature, but it's also grown shareholder value considerably by making great long-term investments.

The company is included in the Canadian Dividend Aristocrats list and has increased its dividend considerably in the last decade.

Despite the fact that it pays out a lot of its earnings, its payout ratio isn't too high, and its dividend is not in any danger.

Plus, the company is in an extremely strong financial position, with manageable debt loads and low leverage.

The success of the company can be easily observed when looking at the strong growth in its earnings before interest, taxes, depreciation, and amortization (EBITDA) over the last decade.

The stock is trading at an attractive valuation, with an enterprise value to EBITDA below 12 times, offering a very attractive dividend yield, and it trades at a price to book of just 1.3 times, making Alaris a top buy today.

Brookfield Property Partners

Brookfield Property Partners owns a massive real estate portfolio with some of the nicest properties around the world, which help to give its business a slight competitive advantage in the real estate industry.

The company has increased its dividend from \$1.00 in 2014 up to \$1.32 currently — that's a compounded annual growth rate of roughly 5% for the dividend, which yields roughly 6.75% today.

The stock is priced very similarly to Alaris, with an enterprise value to EBITDA less than 12 times — not extremely cheap, but a valuation that remains attractive.

Plus, when you consider you get exposure to some of the nicest real estate assets around the globe, as well as having your capital managed by some of the top money managers who can source some of the most opportunistic investments, the stock begins to look even more attractive.

You can buy the stock today at a price to book of less than one times, offering great value for investors, plus when you consider its high-yielding dividend that will grow over time, it looks like a major steal at these prices.

Bottom line

Both companies are exceptional long-term investments that will grow shareholder value in addition to the growth in the already high-yielding dividend.

These are two ideal stocks that will play a major part in growing your wealth and compounding your income, so don't wait too long to gain exposure, or you'll risk missing out on these rewarding dividends.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:AD.UN (Alaris Equity Partners Income Trust)
2. TSX:BPY.UN (Brookfield Property Partners)

PARTNER-FEEDS

1. Business Insider
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