



Nail Down TSX Income as High as 8.8%: Here's How

Description

Hello, Fools! I'm back to highlight three high-yield dividend stocks. As a reminder, I do this because high-yield dividend stocks

- provide a [healthy income stream](#) in both good and bad markets;
- usually come from stable industries; and
- tend to outperform the market over the long run.

The three stocks below offer an [average dividend yield](#) of 5.7%. So, if you're looking to boost your tax-free income in 2020, these three stocks are a good place to start searching.

Without further ado, let's get to it.

Piped in for profits

Leading off our list is pipeline company **TC Energy** ([TSX:TRP](#))([NYSE:TRP](#)), which currently offers a solid yield of 4.1%.

TC's development pipeline, long-term contracts, and scale advantages should continue to support sustained dividend growth. In the most recent quarter, EPS of \$1.04 topped estimates, as revenue clocked in at \$3.1 billion.

Looking ahead, management expects annual payout growth of 8-10% all the way through 2021.

"Despite significant asset sales that have accelerated the strengthening of our balance sheet, comparable earnings per share increased 4% compared to the same period last year while comparable funds generated from operations of \$1.8 billion were 15% higher," CEO Russ Girling.

TC shares are up about 30% over the past year.

Banking on it

With a healthy dividend yield of 4.1%, financial services giant **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) is our next high yielder.

TD's heavily regulated operating environment, wide international footprint, and solid diversification should continue to support big payouts for shareholders. In 2019, TD's EPS increased 4% to \$6.25, while its return on equity clocked in at a solid 14.5%.

On that strength, TD's annual dividend increased 5% to \$2.96.

"Throughout the year, we generated earnings growth amidst a challenging macroeconomic environment while we made strategic investments to strengthen our business, deliver for our customers, and modernize and simplify our operations," said CEO Bharat Masrani.

TD shares are flat over the past year.

Making dough

Rounding out our list is fast-food pizza joint **Pizza Pizza Royalty** ([TSX:PZA](#)), which currently boasts a juicy dividend yield of 8.8%.

Increasing competition and the popularity of food-delivery apps have weighed on the stock, but now might be a prime opportunity to pounce. In the most recent quarter, royalty pool sales managed to increase 0.4%, suggesting that foot traffic is turning around.

Moreover, the company's new Pizza 73 concept posted decent same-store sales growth of 1.7%.

"Our market-leading brands, marketing power and new innovations in our technology and menu offerings are gaining traction and we expect these to continue providing major advantages over competitors in the pizza industry," said CEO Paul Goddard.

Pizza Pizza shares are down slightly 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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1. NYSE:TD (The Toronto-Dominion Bank)
2. NYSE:TRP (Tc Energy)
3. TSX:PZA (Pizza Pizza Royalty Corp.)
4. TSX:TD (The Toronto-Dominion Bank)
5. TSX:TRP (TC Energy Corporation)

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