



Trade the Crash: 3 Top Dividend Stocks to Pounce On Now!

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.

So, if you're looking to pounce on this recent market crash, this might be a good place to start.

Without further ado, let's get to it.

Bank on it

Leading off our list is financial services giant **Canadian Imperial Bank of Commerce** ([TSX:CM](#))([NYSE:CM](#)), which offers a scrumptious dividend yield of 7.5%.

CIBC shares fell particularly hard on Monday, providing Fools with an incredible opportunity. Specifically, CIBC's massive scale (total assets of more than \$650 billion), high regulatory environment, and a diversified business model should easily weather the current storm.

In the most recent quarter, adjusted EPS of \$3.24 easily topped estimates, while the adjusted return on equity clocked in at a solid 16.1%. Management cited a strong boost from its capital markets segment for the market-beating results.

"We delivered a strong first quarter in 2020 as we executed on our client-focused strategy and continued to diversify our earnings growth," said President and CEO Victor Dodig. "We are transforming our bank by leveraging our client-focused culture, optimizing our cost base, and strategically reinvesting our capital to deliver value to our shareholders, clients, employees and communities."

CIBC shares currently sport a forward P/E of 6.1.

Fortis of strength

With a healthy dividend yield of 3.7%, electricity giant **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)) is our next high-yield play.

Fortis has held up relatively well in recent months, suggesting that its business model is perfectly suited for turbulent times. Fortis's scale advantages (\$52 billion in total assets), diversified business model (electricity, gas, infrastructure), and a highly regulated operating environment should continue to deliver consistent dividends.

In the most recent quarter, EPS of \$0.62 beat expectations as revenue improved 5.4% to \$2.3 billion. In fact, management continues to target average annual dividend growth of about 6% through 2024.

"Fortis had industry leading operational results in safety and reliability which complemented our strong financial results," said CEO Barry Perry. "Going forward, our capital plan focuses on cleaner energy along with innovative, sustainable and affordable investment in our electric and gas networks."

Fortis shares currently trade at a forward P/E in the mid-teens.

Make some dough

Rounding out our list is fast-food pizza joint **Pizza Pizza Royalty** ([TSX:PZA](#)), which currently boasts an incredible dividend yield of nearly 13%.

Pizza Pizza shares have been hit particularly hard during this selloff, providing enterprising Fools with a possible opportunity. Specifically, Pizza Pizza's scale (749 restaurants across Canada), well-recognized brand, and solid management team should continue to provide solid long-term income for shareholders.

In the most recent quarter, earnings clocked in at a solid \$0.234 per share as revenue increased 3.8% to \$147 million. More importantly, same-store sales — the key metric in gauging a retailer's health — increased 2%.

"We are pleased with the sales growth at both brands in this highly competitive environment," said CEO Paul Goddard. "Our successes are attributable to this quarter's on-trend product introductions, restaurant operational excellence and our full relaunch of Pizza Pizza's website and apps."

Pizza Pizza shares currently trade at a forward P/E of 7.1.

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.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:CM (Canadian Imperial Bank of Commerce)
2. NYSE:FTS (Fortis Inc.)
3. TSX:CM (Canadian Imperial Bank of Commerce)
4. TSX:FTS (Fortis Inc.)
5. TSX:PZA (Pizza Pizza Royalty Corp.)

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