



Want to Pounce on the Crash With \$5,000? Here Are 3 High-Yield Stocks to Buy 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 the recent market crash with an extra \$5,000 lying around, this might be a good place to start.

Without further ado, let's get to it.

Bankable bet

Kicking things off is financial services giant **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)), which boasts a dividend yield of 5.8%.

TD shares have been flattish over the past month, suggesting that it's a solid way to play defence. Specifically, TD's massive scale (total assets of nearly \$1.5 trillion), diversified operations, and strong regulatory environment should fuel healthy dividends for decades to come.

In the most recent quarter, adjusted EPS climbed to \$1.66 versus \$1.57 in the year-ago period. Moreover, adjusted return on equity improved to 19.6% from 18.9%.

“TD started the year with a solid quarter, reflecting volume growth on both sides of the border in our Retail businesses and strong revenues and earnings in our Wholesale business,” said CEO Bharat Masrani. “Our strong performance demonstrates the advantages of our strategy and proven business model, as we continued to acquire new customers and engage with them in more innovative and personalized ways.”

TD shares are down 26% over the past three months.

Powerful choice

With a dividend yield of 4.2%, power producer **Northland Power** ([TSX:NPI](#)) is next on our list of high yielders.

Northland shares have actually jumped over the past month, providing Fools with peace of mind. The company’s dividend potential continues to be backed by robust cash flows, strong scale (about 2,430 megawatts of operating generating capacity), and stable long-term-oriented contracts.

In fact, management recently reiterated its 2020 guidance of \$1 billion-\$1.2 billion in adjusted EBITDA, as they don’t see any material changes to do the COVID-19 crisis.

“Despite the challenging environment that has resulted from the COVID-19 outbreak, Northland remains in strong financial shape and the company is taking advantage of its financial position and of the opportunities in the marketplace to further enhance its pipeline of growth projects,” wrote the company in statement.

Northland is up an impressive 24% over the past month.

Gaining energy

Rounding out our list is pipeline company **TC Energy** ([TSX:TRP](#))([NYSE:TRP](#)), which currently offers a scrumptious dividend yield of 5.2%.

TC shares have also recovered nicely over the past several weeks. The company’s reliable long-term contracted assets, well-managed development pipeline, and significant scale advantages should continue to support sustained dividend growth.

In the most recent quarter, EPS of \$1.18 topped estimates by \$0.13. On that strength, management raised the dividend for the 12th consecutive year.

More importantly, TC exited 2019 in a position to fund its \$30 billion portfolio of secured projects without needing to issue new shares.

“Over the past several years, we have taken significant steps to high-grade our asset base through organic growth, acquisitions and divestitures, as well as return our balance sheet to its position of historical strength,” said President and CEO Russ Girling.

TC Energy shares are up about 20% over the past month.

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
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TICKERS GLOBAL

1. NYSE:TD (The Toronto-Dominion Bank)
2. NYSE:TRP (Tc Energy)
3. TSX:NPI (Northland Power Inc.)
4. TSX:TD (The Toronto-Dominion Bank)
5. TSX:TRP (TC Energy Corporation)

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