Dividend Investing: 2 Stocks With Juicy Yields

Description

While stocks have been pretty beaten up recently, some are now offering good long-term buying opportunities. Some stocks that are perfect for dividend investing are available at decent prices.

When it comes to long-term dividend investing, reliability and stability are key. A few years of unexpected underperformance can significantly alter an investment's trajectory.

So, it's vital to seek out blue-chip TSX stocks that not only offer great yields now, but that can maintain and grow those yields down the line.

Today, we'll look at two such TSX stocks that are solid candidates for dividend investing. They're both offering investors above-average yields for relatively decent prices for the long run.

CIBC

Canadian Imperial Bank of Commerce (TSX:CM)(NYSE:CM) is one of Canada's major banks and is headquartered in Toronto, Ontario.

Like most other stocks, CIBC was dragged down with the market crash. Plus, like its banking peers, it has been feeling the effects of lower rates, a tighter economy, and economic slowdowns.

As such, at the time of writing, it's trading at $93.43 and yielding 6.26%. That yield exceeds the five-year average by quite a bit. For long-term dividend investing, that dividend is certainly attractive.

Now, as one of Canada's major banks, CIBC has access to the support and liquidity it needs to weather the storm in the short run. Moreover, the balance sheet doesn't suggest that any severe long-term issues have surfaced.

Plus, CIBC has never missed a regular dividend payment — not even during the 2008 financial crisis. So, investors looking at the long run should still hold confidence in CIBC's commitment to paying and growing its dividend.

BMO

Bank of Montreal (TSX:BMO)(NYSE:BMO) is another major Canadian bank. BMO has a strong presence in both the U.S. and Canadian markets.

Like with CIBC, this dividend investing heavyweight also has a long streak of maintaining its dividend. In fact, it's the longest streak among Canadian stocks. BMO has been paying regular dividends consistently since 1829.

Now, BMO faces a lot of the same challenges that CIBC does. However, BMO has a very healthy balance sheet and the resiliency to continue performing well and paying its dividend.

As of this writing, BMO is trading at $75.18 and yielding 5.64%. That yield is head and shoulders above the five-year average yield, and as such, BMO is offering solid value to long-term investors.

BMO is a great pick for dividend investing, as its commitment to growing sustainably means investors can rely on its yield. During these uncertain times, BMO could see ups and downs in the short run, but the total return potential is great for the long run.

Dividend investing strategy

When it comes to dividend investing, CIBC and BMO are both superstars. They both have long-standing streaks of paying out to investors and both provide consistent dividend growth.

They both currently offer juicy yields to investors that exceed what's been typical in the recent past. As such, it's as good a time as ever to lock in a big yield for the long haul.

If you're looking to add to your dividend investing plan, CIBC and BMO are both worth a look.

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