



Afraid of Volatility? Buy These 3 Monster Yield Stocks for Steady Income

Description

The stock market has been highly volatile so far this year. The COVID-19-led crash, stellar recovery from March lows, and the recent selloff could be unnerving for many investors. Further, with uncertain economic outlook and increasing infections, markets could remain volatile for the rest of the year.

Amid volatility, stocks with high dividend yields look attractive and could fetch you steady income. Here are three stocks that are offering monster yields and have business models to ride out the COVID-19-led disruptions.

Enbridge

The energy infrastructure company has been taking a hit for lower mainline system's throughput amid weak demand and pricing for oil. However, **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)), with its highly diversified revenue stream and contractual arrangements remains well positioned to continue to [boost shareholders' returns](#) through consistent dividend payments.

Enbridge has been paying dividends since going public in 1953 and currently offers a monster yield of 7.8%. Over the last 25 years, Enbridge's dividends have grown at a compound annual growth of 11%. Meanwhile, it paid about \$6 billion in dividends in 2019, which implies a year over year increase of stellar 28%.

Enbridge's highly contracted business, continued momentum in its other businesses, and cost-cutting measures are likely to support its cash flows, in turn, its future payouts. Also, investors could expect to benefit from capital appreciation as the market normalizes and economic activities gain pace.

NorthWest Healthcare

Shares of **NorthWest Healthcare Properties REIT** ([TSX:NWH.UN](#)) are another reliable bet for steady income. NorthWest's resilient portfolio (dominated by healthcare and hospitals), high portfolio occupancy rate, recent acquisitions, and weighted average lease expiry of 14.5 years provide a strong

underpinning for growth and indicate that its payouts are safe.

In the most recent quarter, NorthWest reported an [occupancy rate of 97.3%](#), thanks to its focus on the cure segment of the healthcare real estate. Meanwhile, it announced that about 80% of its tenants are government-funded and about 75% of its rents are inflation-indexed, which is encouraging. The company is also focusing on deleveraging its balance sheet through the strategic asset sale, which is likely to bolster its growth further.

Investors should note that with a yield of about 7% and monthly payouts, NorthWest should be on your radar to generate solid passive income.

TransAlta Renewables

With a monthly payout of \$0.08 and a high dividend yield of 5.9%, **TransAlta Renewables** ([TSX:RNW](#)) is another top dividend-paying stock investors should bet on amid volatility. TransAlta's diversified asset base and long-term contractual arrangements help the company to generate predictable cash flows and support its payouts.

dividends have grown at a compound annual growth rate (CAGR) of about 4% since 2013. Meanwhile, its resilient business indicates that the payouts are safe and could increase in the future. Diversified revenues sources, cost-savings and pass-through provisions are likely to support its cash available for distribution.

Bottom line

While it is uncertain which way the stock market would go for the rest of 2020, these **TSX** stocks offer steady income opportunity amid volatility. Investors should note that the high-yields of these companies are safe, thanks to their resilient and diversified business model.

CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Energy Stocks

TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. TSX:ENB (Enbridge Inc.)
3. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
4. TSX:RNW (TransAlta Renewables)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred

5. Sharewise
6. Yahoo CA

Category

1. Coronavirus
2. Dividend Stocks
3. Energy Stocks

Date

2025/07/21

Date Created

2020/09/10

Author

snahata

default watermark

default watermark