3 Supreme Dividend Stocks That Yield Over 5%

Description

Investors have different considerations when picking stocks. However, some dividend investors set a minimum criterion, particularly on yields. If you'll settle for yields of over 5% only, it's possible to create a powerhouse portfolio of three supreme dividend payers.

Power up

A leading growth-oriented independent power producer (IPP) in Canada pays a high 5.44% dividend. The share price of **Capital Power** (TSX:CPX) is $37.80, and investors should be happy with the 9.67% year-to-date gain. Dividend earners look for cash flow stability to determine the reliability of the asset.

Capital Power's strongest suit is project development and construction. The $4.05 billion company has built an impeccable record of building and completing projects on budget and time. The best part is that the average contract life of the projects' secured fixed-price contracts is 10 years.

The current goal is to expand its renewable energy footprint. So far, the plan is progressing well. In 2020, Capital Power's renewable assets contributed 27% of its adjusted EBITDA. Another target is to be off coal in 2023. There's a $1.7 billion capital allocation for seven renewable projects.

Regarding dividends, the yield has grown more than 11% in the last decade. Capital Power can do so, because cash flows from long-term power-purchase agreements are stable.

Diversified financial services

Power Corporation of Canada (TSX:POW) is excellent for yield-hungry investors. The $23.4 billion diversified international management company pays a juicy 5.25% dividend. Performance-wise, the insurance stock's year-to-date gain is 18.85%. Substantial cash flows fuel the business.

The company operates in Canada, Europe, and the United States. The operating firms under its wings provide a variety of financial services. Power Corporation is known more for insurance products.

However, it also offers annuities, reinsurance, asset and wealth management, and retirement plus other allied services.

Since the dividend is your primary concern, you must know that Power Corporation is a Dividend Aristocrat. Management has increased dividends at a rate of 6% CAGR in the last three years. Last year alone, the company's total dividend payouts reached $2 billion.

Earnings growth in the last 10 years has been consistent (3% CAGR). If you're familiar with **IGM Financial**, **Great-West Lifeco**, and Pargesa, Power Corporation controls all of them.

Long-standing strategic partnership

Choice Properties (TSX:CHP.UN) is a great dividend play, because of its lucrative 5.29% dividend yield. The $4.6 billion real estate investment trust (REIT) isn't doing bad either in 2021, with its moderate 8.45% year-to-date gain. However, at $14.09 per share, you get value for money.

This REIT owns, operates, and develops high-quality residential and commercial properties. Choice Properties financial results in 2020 (year ended December 31, 2020) were quite surprising. Management reported a net income of $450.7 million versus the net loss of $581.4 million in 2019.

The occupancy rate for the year fell slightly to 97.1% from 97.7% the previous year. Choice Properties was resilient during the COVID year. Its lessees in the commercial or retail portfolio are mostly necessity based. **Loblaw**, Canada's leading retailer, is the principal tenant and long-standing strategic partner.

No dividend cuts

The three dividend stocks are not necessarily risk-free, although the companies haven't slashed or cut dividends whatsoever. Pick them up today to receive higher-than-average income streams because of the more than 5% dividend offer.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:CHP.UN (Choice Properties Real Estate Investment Trust)
2. TSX:CPX (Capital Power Corporation)
3. TSX:POW (Power Corporation of Canada)

PARTNER-FEEDS

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

5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Dividend Stocks
2. Investing

Date
2025/08/16
Date Created
2021/04/16
Author
cliew