3 High-Yield Dividend Stocks To Grab in April

Description

If you're looking for high yield dividend stocks to buy in April, your options are relatively few. The COVID-19 pandemic pushed stocks higher and yields lower. As a result, there's not as much yield out there as there was a year ago. But there is still some to be found. In sectors like utilities, banking and telcos, high yield is still the norm. Perhaps not *as* high as 12 months ago, but still high. In this article, I will explore three stocks that still pay dividends by the truckload, even after a year of solid gains. We can start with one utility stock that offers a truly generous 5.14% yield.

Canadian Utilities

Canadian Utilities (TSX:CU) is a utility stock that yields 5.14%. It has risen 11% so far this year, but that hasn't been a big enough gain to make the high yield evaporate. Generally speaking, utilities tend to be good stocks for economically uncertain times. Even in recessions, people rarely cut out their heat and light. People will rather sell their cars than go cold in the winter.

For this reason, utilities have very stable revenue, which allows them to offer very stable dividends. In CU's case, it has raised its dividend by 6.6% per year over the last five years. Among Canadian utility stocks, CU hasn't been the best performer. But it does have a very high yield.

Canadian Imperial Bank of Commerce

The **Canadian Imperial Bank of Commerce** (TSX:CM)(NYSE:CM) is a Canadian bank with a 4.7% yield. Its yield went as high as 6% amid the COVID-19 market crash, but a series of earnings beats pushed the stock price higher in the year that followed. In its most recent quarter, CM grew its earnings by 34% year over year. The first quarter was a good one for Canadian banks in general, but CM beat the sector average.

CM's solid first quarter earnings show that the bank is beginning to walk off the damage it tookbecause of COVID-19, and get back to returning value to shareholders. Overall, it's a high-yield bankwith a lot of potential.

BCE Inc

BCE Inc (TSX:BCE)(NYSE:BCE) is a Canadian telco stock that presently yields a whopping 6%. Like Canadian Utilities, that's partially because of poor stock performance: over the past five years, BCE has delivered a negative return not including dividends. Part of the reason for that is that it owns substantial media holdings, and advertising revenue plummeted in 2020, thanks to the COVID-19 pandemic.

It's not clear what the media landscape is going to look like after COVID is over. Certainly, demand for advertising in general will bounce back, but news media will lack one of the most popular stories that brought in viewers over the past year.

BCE's media holdings could possibly continue underperforming. However, its core telco business (phone, cable and internet service) is sure to continue growing and adding subscribers in the year ahead, helping BCE deliver more and more dividends to its shareholders.

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