



2 High-Yield Stocks You Should Buy in May 2021

Description

High-yielding stocks look very attractive in a market that is performing well during a recovering economy. However, not all high-yielding investments are ideal for your portfolio. It is better for [income-seeking investors](#) to prioritize securing investments that offer them reliable payouts for the long run.

Focusing on companies that have paid uninterrupted dividends for a long time is better than purely high-yield plays. Fortunately, there are a few such stocks that also offer juicy dividend yields. Today I will discuss two such stocks that you can add to your portfolio to secure juicy and reliable dividend income.

TC Energy

TC Energy ([TSX:TRP](#))([NYSE:TRP](#)) owns and operates a diversified portfolio of contracted and highly regulated assets. The company's shareholders are happy with TC Energy because it has consistently delivered strong returns over the last several years. The company has grown its dividends at a compound annual growth rate (CAGR) of 7% in the last two decades.

At writing, the stock is trading for \$61.18 per share and boasts a juicy 5.69% dividend yield that you can lock in right now. TC Energy's high-quality assets are resistant to economic cycles and any short-term volatility in price and volumes. Despite the challenges posed by the pandemic, TC Energy's robust development portfolio and high asset utilization rate allowed the company to perform well.

It is well positioned to continue delivering stellar returns through its growing payouts, combined with its \$20 billion secured capital program and organic growth opportunities.

Pembina Pipeline

Pembina Pipeline ([TSX:PPL](#))([NYSE:PPL](#)) is another exceptional stock that is paying its shareholders at a juicy dividend yield. The company pays its shareholders dividends in [monthly payouts](#). Trading for \$38.16 per share, Pembina Pipeline boasts an attractive 6.60% dividend yield.

The high dividend yield might seem alarming to some investors. However, it began paying its dividends in 1998 and has consistently increased its payouts each year. Additionally, the company's payouts increased by early 5% over the last ten years.

The company's dividends are backed by its diversified and contracted assets that generate robust cash flows. Its secured counterparties and take-or-pay and cost-of-service framework suggest that its payouts are secure and sustainable for the company.

As the vaccine rollout continues, there may be a higher demand for energy sector products, along with higher pricing and volumes. Combined with the backlog of its growth projects, Pembina Pipeline looks well positioned to continue increasing its payouts.

Foolish takeaway

The market volatility is high, and several stocks are offering high dividend yields that look attractive. It could be ideal to capitalize on the cheaper valuations for these high-quality companies to lock in excellent dividend yields to generate steady and passive cash flow.

Many stocks might not make for excellent picks amid the volatility. However, TC Energy and Pembina Pipeline look well-positioned to become a part of dividend-income portfolios. Both companies have paid growing dividends to shareholders without breaking the growth streak for a long time.

As the economy recovers, TC Energy and Pembina Pipeline could continue providing you with significant long-term returns.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:PBA (Pembina Pipeline Corporation)
2. NYSE:TRP (Tc Energy)
3. TSX:PPL (Pembina Pipeline Corporation)
4. TSX:TRP (TC Energy Corporation)

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Author

adamothonman

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