



## 2 Brilliant Dividend Stocks to Buy Today

### Description

Smart income investors make brilliant choices. In October 2021, two dividend stocks stand out from the rest. **Aura Minerals** ([TSX:ORA](#)) and **Freehold Royalties** ([TSX:FRU](#)) are must-buys today. The mining stock ranks number one in the 2021 TSX30 List, while the royalty stock has delivered [outrageous returns](#) this year.

Mining stocks outnumbered tech stocks, 14 to five, in the third edition of **TMX Group's** TSX30 growth stocks. Many thought that **Shopify** is a shoo-in to make it back to back for the top spot. However, Aura Minerals had a better three-year performance than the tech superstar (1,125% versus 846%).

### Top growth stock

The commodities boom helped Aura Minerals and 13 others in the mining industry to dominate this year's annual ranking. **Trisura Group**, **Ballard Power Systems**, and **Capstone Mining** round up the top five. The [TSX30 winners](#) had at a return of least 162%.

Besides the incredible performance, the top growth stock in 2021 pays an over-the-top 8.2% dividend. By using the [Rule of 72](#), any investment amount will double in 8.8 years.

Furthermore, the total return to prospective investors should be much higher if the price forecasts are correct. Market analysts see a return potential of 65.27%. Their 12-month average target is \$20.94 from the current share price of \$12.67. The maximum target is \$24.98.

Aura Minerals's market cap stands at \$941.1 million. This mid-tier gold and copper production company develops and operates gold and base metal projects. It has four producing assets, one each in Brazil, Honduras, Mexico, and the United States.

Aura investors received more good news on October 11, 2021. The company reported a 7% increase in total gold production in Q3 2021 versus Q3 2020. According to its president and CEO Rodrigo Barbosa, Aura expects to achieve higher production volumes in Q4 2021. Also, further increases in total production looms in the near future, says Barbosa.

## Solid performer

Seldom will you see a royalty stock outperform the TSX by a wide margin, but Freehold Royalties does it. At \$11.58 per share, the year-to-date gain is 127.18%. Also, the total return in the last 12 months is 229%. With this solid performance, market observers agree that it's the most compelling investment prospect in the energy sector.

The \$1.74 billion company isn't an oil and gas producer but acquires and manages royalties. Freehold owns a portfolio of royalty lands. It's a low-risk option for income investors because it has no production and drilling costs nor capital expenditures. It receives royalty income from more than 300 industry operators and has interests in over 11,000 wells.

The strong upward momentum in crude oil prices is a boon to Freehold. In Q2 2021, royalty revenue and cash flows from operations increased 204% and 154% versus Q2 2020. From a net loss of \$5.42 million, the company reported a net income of \$12.45 million. After the first half of 2021, working capital was \$37.2 million, or 37% higher from year-end 2020.

Freehold's competitive advantages are the ownerships in mineral title lands and stable royalty income streams. Thus, the business model creates, enhances, and delivers value to shareholders.

## Brilliant choices

Aura Minerals and Freehold Royalties are brilliant investment choices for Canadian investors in Q4 2021. Besides the high yields, the dividend stocks can deliver considerable capital gains.

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2. Energy Stocks
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