



2 Dividend Kings to Buy With Yields Over 6.5%

Description

Investors can soak up on dividends in 2022 and create substantial [economic buffer](#) to combat inflation. **Pembina Pipeline** ([TSX:PPL](#))([NYSE:PBA](#)) and **Sienna Senior Living** ([TSX:SIS](#)) are among the TSX's Dividend Kings for their outrageous yields. Both are excellent for [yield-thirsty investors](#) or people saving for their financial future. The energy stock can be the anchor stock, while the healthcare stock is the perfect second liner.

Top monthly income stock

Pembina Pipeline is not only a high-yield stock (6.55%). This energy stock is one of the select few on the TSX that pays dividends every month. You can incorporate the dividend earnings into your monthly budget if need be. Likewise, you can reinvest the dividends 12 times a year, not four.

The \$21.88 billion company is a vital cog in North America's oil and gas midstream industry. Pembina is responsible for transporting hydrocarbon liquids and natural gas products that comes from Western Canada. Apart from its oil and natural gas liquids infrastructure assets, the company owns and operates gas gathering and processing facilities. Moreover, logistics is an allied business.

Pembina Pipeline didn't disappoint investors last year with its 36.09% total return to go with the generous dividend yield. The S&P/TSX 60 Index member currently trades at \$39.36 per share, and market analysts forecast a return potential upside of as much as 21.95% in 12 months.

Besides the full slate of midstream and marketing services, Pembina has several growth opportunities on the horizon. Investors will flock to Alberta, because of its carbon pricing and sequestration infrastructure. The province is a petrochemical powerhouse and produces four million barrels of oil per day (about 80% of Canada's total).

Pembina should be at the front and centre of the province's emission reduction strategy. It has plans to jointly build a carbon capture and storage facility (20 million tonnes of CO2 annually) with **TC Energy**. The projected 20 million tonnes of CO2 storage capacity would be approximately 10% of Alberta's CO2 emissions.

The investment thesis for this energy stock is the low to moderate risk business model. Furthermore, Pembina's robust portfolio of new opportunities should enhance long-term value and ensure growing dividends for years to come.

Pure dividend play

Sienna Senior Living is a steal for its relatively cheap price (\$14.14 per share) and fantastic dividend (6.62% yield). Assuming you invest \$30,000 in this healthcare stock, your money will generate \$1,866 in passive income, or around \$155.50 per month.

The \$957.32 million company is one of the leading providers of senior living and long-term-care (LTC) services in Canada. Its Retirement and LTC segments are the core contributors to revenue. According to management, Sienna's sales and marketing efforts have gained momentum in recent months.

Because of high lead generation and sustained occupancy increases, the same property average occupancy rate reached 85.3% in December 2021. It was the highest level in almost two years.

Likewise, the average same property occupancy levels improved each month in Q4 2021, while rent-collection levels remained high. As of January 7, 2022, Sienna has a high liquidity and strong financial position (\$236 million). Don't expect much on price appreciation, but the [dividends should be safe](#) for now.

Cash cows

Pembina Pipeline and Sienna Senior Living are cash cows, no less. The recurring income streams are perfect hedges against rising inflation.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:PBA (Pembina Pipeline Corporation)
2. TSX:PPL (Pembina Pipeline Corporation)
3. TSX:SIA (Sienna Senior Living Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin

3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. cliew
2. kduncombe

Category

1. Dividend Stocks
2. Investing

Date

2025/08/17

Date Created

2022/01/29

Author

cliew

default watermark

default watermark