



3 Dividend Stocks That Will Put +5% Yields in Your Pocket

Description

With record-high inflation and continued volatility in the equity market, top-quality dividend stocks appear to be reliable investments for a regular cash inflow.

It's worth mentioning that several TSX-listed stocks have been steadily paying dividends irrespective of the macro environment and wild market swings. However, we will focus on only those stocks offering +5% yields, while their payouts are very well protected and sustainable in the long term.

NorthWest Healthcare Properties REIT

When it comes to dividends, [REITs](#) are dependable bets for investors eyeing regular income. Within this space, I am bullish about **NorthWest Healthcare** ([TSX:NWH.UN](#)). It owns a low-risk and defensive portfolio of healthcare real estate assets underpinned by tenants with government support.

Its diversified operations, long-weighted average lease expiry term (about 15 years), inflation-indexed rents (about 80% of its rents indexed for inflation), and contractual arrangements to increase rents per annum bode well for its growth and payouts.

What's more, NorthWest Healthcare's high occupancy rate (about 97%), focus on opportunistic acquisitions, expansion into the U.S. and other high-growth markets, and growing mix of inflation-indexed leases add stability and visibility to its future income. It offers a monthly payout and is yielding nearly 6.2% at current levels.

Pembina Pipeline

Pembina Pipeline ([TSX:PPL](#))([NYSE:PBA](#)) began paying a dividend in 1997 and has paid \$11.1 billion in dividends since then. Pembina's dividend grew at a CAGR of 5% over the past decade. Moreover, its robust dividend payments are supported through the diverse and highly contracted asset base. It's worth noting that Pembina's business is underpinned by fee-based, high, take-or-pay contracts that eliminate price and volume risks.

While Pembina's cash flows are supported through its highly contracted assets, improving volumes, higher price realizations, and benefits from new assets placed into service will likely drive its future earnings and dividend payments.

Like NorthWest Healthcare, Pembina Pipeline pays a monthly dividend and is a solid investment for investors seeking regular monthly passive income. Pembina stock offers a dividend yield of 5.1%. Moreover, its payout ratio (about 75% of the fee-based cash flows) is sustainable in the long term.

Enbridge

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) is famous for consistently paying and increasing its dividends. For context, Enbridge has been paying dividend for nearly 67 years. Furthermore, this energy infrastructure company's dividend has a CAGR of 10% in the last 27 years.

Enbridge's solid dividend payments are supported through its diverse cash flow streams and high-quality assets that remain relatively immune to the economic cycle. The ongoing momentum in its core business, recovery in the mainline volumes, and strength in the renewable power business indicate that Enbridge is well positioned to consistently enhance its shareholders' value through increased dividend payments.

Its continued investments in conventional and green energy projects bode well for future growth. Meanwhile, its high asset utilization rate, multi-billion capital projects, inflation-protected EBITDA, and ability to generate solid investable capacity (about \$5-\$6 billion per year) provide a solid foundation for multi-year growth.

Thanks to its diverse businesses and solid distributable cash flows, its payout is safe and sustainable. Further, it yields over 6% at current levels.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. NYSE:PBA (Pembina Pipeline Corporation)
3. TSX:ENB (Enbridge Inc.)

4. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
5. TSX:PPL (Pembina Pipeline Corporation)

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. kduncombe
2. snahata

Category

1. Dividend Stocks
2. Investing

Tags

1. Editor's Choice

Date

2025/08/24

Date Created

2022/05/20

Author

snahata

default watermark

default watermark