



3 Great Stocks With Yields Over 5%

Description

Market volatility has made identifying great stocks to buy a lot harder than necessary this summer. Fortunately, there are some superb stocks to consider, including this trio of income-producing stocks that boast tasty yields of over 5%

Stock #1: Renewable energy

One area that continues to offer massive long-term growth potential is in the field of renewable energy. Traditional fossil fuel utilities are scrambling to transition over to renewable sources at considerable expense. This exposes a huge opportunity for renewable providers that already boast a clean portfolio.

One such option to consider is **TransAlta Renewables** ([TSX:RNW](#)). TransAlta offers a portfolio of over 30 facilities located across Canada, the U.S., and Australia. Additionally, most of those facilities already have a power-purchase agreement in place that spans at least a decade from now.

This makes TransAlta an incredibly stable investment. That stable revenue stream also means that TransAlta can pay out a handsome dividend to shareholders.

The current dividend has an attractive 5.51% yield. Even better, TransAlta follows a monthly distribution cadence. This means that a \$35,000 investment in TransAlta would generate a monthly income of \$160.

Stock #2: The big bank

Canada's big banks are some of the best long-term investments on the market. They all boast juicy yields, strong growth, and stable businesses that include domestic and international segments. But few of those big banks offer juicy yields north of 5%.

Canadian Imperial Bank of Commerce ([TSX:CM](#))([NYSE:CM](#)) is one of those banks. The volatility we've seen in the market has pushed CIBC's stock lower this year. As of the time of writing, CIBC is

down just over 14% in 2022. As a result, the P/E of the bank is now just 8.94.

Even better, that [discount](#) also means that CIBC's yield is now at a very attractive 5.27%, making it a superb addition to the list of stocks with yields over 5%.

Stock #3: Energy infrastructure

Topping out the list is **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)), which really is a great stock to own. The energy infrastructure behemoth is best known for its pipeline and utility businesses.

The pipeline business in particular generates a stable and recurring revenue stream for the company. The segment's passive appeal is often compared with a toll-road network for good reason.

Prospective investors should note that Enbridge does offer much more.

Specifically, Enbridge also owns a growing renewable energy business. The company has quietly invested over \$8 billion into the segment over the past two decades. Today, that segment boasts over 40 different facilities scattered across the U.S., Canada, and Europe. Those facilities are mostly comprised of wind (onshore and offshore) and solar.

Turning to income, Enbridge continues to impress. The company offers a quarterly dividend of 6.21%. This not only earns Enbridge a place on a list of stocks with yields over 5% but also one of the most attractive yields on the market.

Final thoughts

All three of the investments outlined above are superb long-term picks. They also boast some defensive appeal in their respective fields and, perhaps most importantly, offer juicy yields.

While no stock is without risk, in my opinion, the three stocks above are great options for any well-diversified portfolio.

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2. Stocks for Beginners

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Author

dafxentiou

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