3 Growth Stocks That Provide Healthy 4.5% Dividends

Description

Growth stocks tend to underperform or display higher volatility when inflation is elevated. However, there are exceptions to this general observation. Despite their depressed prices year to date, growth stocks like **TELUS** (TSX:T)(NYSE:TU), **Emera** (TSX:EMA), and **Stingray Group** (TSX:RAY.A) remain attractive to income investors because of their healthy dividends.

All three companies are strong dividend-growth stocks. TELUS and Stingray belong to the communications services sector, while Emera is a top-tier utility stock. Their dividend yields are at least 4.46%. Would-be investors can expect uninterrupted income streams every quarter, regardless of the economic environment.

Potent networks

TELUS impressed investors with its impressive operational and financial results in the second quarter (Q2) 2022. In the three months ended June 30, 2022, net income rose 44.8% to $498 million compared to Q2 2021. Its president and chief executive officer (CEO) Darren Entwistle said, "Our robust performance reflects the potency of our globally leading broadband networks and customer-centric culture."

The 247,000 customer additions were a record in a second quarter, while the 93,000 mobile phone net additions were the best second-quarter results since 2011. Moreover, the industry-leading total fixed net additions of 62,000 is an all-time second-quarter record for TELUS.

Entwistle added, "Our results are backed by our highly differentiated and powerful asset mix geared towards high-growth, technology-oriented verticals." Its subsidiary TELUS International had strong double-digit revenue growth in the same quarter. Total capital expenditure in the Q2 2022 alone reached $1.9 billion.

TELUS has a dividend-growth streak of 18 years. The telco stock trades at $28.92 per share (-0.89% year to date) and pays a 4.68% dividend. In the first seven months of this year (three quarterly dividend payments), Canada's second-largest telco paid approximately $1.4 billion in dividends.

Ever reliable

Emera is an ever-reliable passive-income generator because of its highly regulated utility assets (electricity and gas). This $15.65 billion diverse energy and services company caters to end users in Canada, the U.S., and three Caribbean countries. If you invest today ($59.44 per share), the dividend yield is 4.46%.

In Q3 2021, management revealed its strategy to invest in a lower carbon energy transition that is more affordable and reliable for its customers. Scott Balfour, Emera's president and CEO, said, "These investments are expected to continue to drive cash flow and EPS growth, which supports the increase in our dividend for 2022 and the extension of our dividend growth target of 4% to 5% through 2024."

Organic growth

In Q1 fiscal 2023, Stingray had revenue and net income growth of 21.6% and 123.7%, respectively, versus Q1 fiscal 2022, despite the challenging environment. Notably, in the three months ended June 30, 2022, broadcast and recurring commercial music revenues surged 31.7% to $46.2 million.

Eric Boyko, Stingray's president, co-founder, and CEO, said the overall business continued to gain momentum following the acquisition of InStore Audio Network (ISAN). There was also a marked improvement in radio sales, because commercial operations are back to normal.

This $440 million global music, media, and technology company has raised its dividend for seven consecutive years. At only $6.30 per share, you can partake of the 4.76% dividend.

Growing dividend payments

TELUS, Emera, and Stingray are ideal options for Canadian investors looking for consistent, healthy, and growing dividend payments.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:TU (TELUS)
2. TSX:EMA (Emera Incorporated)
3. TSX:RAY.A (Stingray Group Inc.)
4. TSX:T (TELUS)

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Date
2025/07/20
Date Created
2022/08/09
Author
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