Looking for Yield? 2 Top Bond Proxies Could Be Just the Ticket

Description

Looking ahead to what the first month of the year may bring? Well, Canadian dividend stocks have fared significantly better than nearly every stock amid market turbulence. Adding Canadian dividend stocks to one's portfolio is one of the tried-and-true methods to generating wealth while shielding it from unfavourable market fluctuations and their impact.

Growth, safety, as well as the current dividend yield are the three factors taken into account while ranking the top Canadian dividend stocks. Even if they occasionally have drawdowns because of market-wide momentum, they tend to hold up pretty well, and earnings reports have backed the dividends' long-term viability. The best two dividend stocks right now for long-term investments are listed below.

SmartCentres REIT

Single insider stock purchases are often non-events. That said, for shareholders, it's excellent news when many insiders buy a given stock, as has been the case for **SmartCentres Real Estate Investment Trust** (TSX:SRU.UN).

Executive Chairman and Chief Executive Officer Mitchell Goldhar made the largest single insider buy in the previous year, spending $642K on shares at a cost of $25.58 a share.

Additionally, SmartCentres recently released some strong results for its third quarter. With occupancy levels, including committed deals, rising to 98.1%, evidence is building that overall leasing activity in shopping centres is continuing to rise. In comparison to the same period in 2021, net rental income and others rose by $3.6 million, or 2.9%, for the three months ending September 30, 2022. There is little doubt that a number of passive-income investors have been enticed to consider SRU units by the REIT's 6.5% dividend yield.

The trust's quarterly dividend amount stands at $0.45 a share.

Rogers Communications

On Wednesday, Jan. 18, shares of **Rogers Communications** (TSX:RCI.B) crossed above their 50-day moving average. The stock's price-to-earnings ratio is roughly 21 times, and the company has a market cap of over $33 billion.

In Canada, Rogers Communications is well known as a market-leading telecom and media company. Via its three operating segments (wireless, cable, and media), Rogers pays out a significant dividend yield of 3%. This yield continues to grow over time and is one of the most stable bond-like distributions in the market right now.

With a payout ratio around 63%, Rogers has plenty of cash flow to cover its distribution moving forward. Notably, this company has also seen significant interest from institutional investors looking to pick up shares of this bond proxy on recent dips.

According to its most recent 13F filing with the Securities and Exchange Commission, Raymond James Financial Services Advisors Inc. increased its position in shares of Rogers Communications by 4.3% during the third quarter. After acquiring additional 1,440 shares throughout the course of the period, the institutional investor now holds 35,112 shares of the wireless communications provider.

Bottom line

Overall, both SmartCentres and Rogers are bond proxies that I think are worth considering right now. There's tremendous uncertainty in the markets. That's not likely to go away any time soon. However, these companies can help investors weather the storm that may be coming.

CATEGORY

1. Investing

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1. TSX:RCI.B (Rogers Communications Inc.)
2. TSX:SRU.UN (SmartCentres Real Estate Investment Trust)

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