

## 2 Dividend Stocks With 25% Covered Call Yields

June 15, 2012

By Robert Hauver

Looking for dividend stocks with high options yields? With the market moving more towards the upside, call option prices have started to rise accordingly. Here are 2 of the over 30 dividend paying stocks listed in our [Covered Calls Table](#), which each have a combined option and dividend yield of 25% or more:

Ticker	6/15/12 PRICE PER SHARE	DIVIDEND PER SHARE \$ PAID PRIOR TO CALL EXPIRATION	ANNUAL'D DIVIDEND YIELD %	CALL OPTION EXPIRATION MONTH & STRIKE PRICE	CALL BID PREMIUM	ANNUAL'D CALL YIELD	TOTAL ANN'D STATIC YIELD	POTENTIAL ASSIGNED ANN'D YIELD	ANNUAL'D TOTAL POTENTIAL YIELD
MGA	\$39.19	\$0.28	2.68%	SEPT. 2012 \$40.00	\$2.40	23.04%	25.69%	7.09%	32.78%
TGH	\$33.90	\$0.40	6.84%	AUG. 2012 \$35.00	\$1.15	19.65%	26.49%	18.80%	45.29%

**Dividends:** TGH, which is listed in the Industrials section of our [High Dividend Stocks By Sector Tables](#), increased its quarterly dividends to \$.40, from \$.37 in 2012. This was the 9th consecutive dividend increase for TGH. MGA increased its quarterly dividends to \$.28, from \$.25, in the first quarter of 2012:

Ticker	COMPANY	Dividend Yield	Dividend Payout Ratio	Quarterly Dividend	Next Ex-Dividend Date approx.
MGA	Magna International	2.84%	22.91%	\$0.21	8/29/12
TGH	Textainer Group Holdings Limited	4.69%	33.00%	\$0.40	8/16/12

**Technical Data:** Both stocks have had a good run so far in 2012:

TICKER	Performance YTD	Beta	Variance From 52-Week High	Variance From 52-Week Low	Relative Strength Index (14)
MGA	17.88%	1.45	-26.01%	33.23%	42.01
TGH	19.85%	1.69	-7.74%	79.63%	52.07

**Financials:** Although MGA's ratios aren't as impressive as TGH's, they do outshine MGA's peer group. TGH's figures are substantially above its peer group.

Ticker	Return on Assets	Return on Equity	Return on Investment	Total Debt/Equity	Operating Margin	Interest Coverage
MGA	6.65%	12.14%	11.10%	0.04	4.30%	2.30
TGH	9.65%	30.17%	11.10%	2.17	62.95%	5.78

#### Company Profiles:

**Magna International:** "The most diversified automotive supplier in the world. We design, develop and manufacture automotive systems, assemblies, modules and components, and engineer and assemble complete vehicles, primarily for sale to original equipment manufacturers (OEMs) of cars and light trucks in our three geographic segments - North America, Europe, and Rest of World (primarily Asia, South America and Africa)." (Source: Magna website)

**Textainer:** "Textainer has operated since 1979 and is the world's largest lessor of intermodal containers based on fleet size. We have a total of 1.7 million containers, representing 2.5 million TEU, in our owned and managed fleet. We lease containers to more than 400 shipping lines and other lessees. We lease standard dry freight, dry freight special containers, and refrigerated containers. We are one of the largest purchasers of new containers annually. We believe we are also the largest seller of used containers, selling up to 100,000 containers per year to more than 1,000 customers. We provide our services worldwide via a network of more than 150 offices and depots."

Disclosure: Author had no positions MGA or TGH at the time of this writing.

Disclaimer: This article is written for informational purposes only and isn't intended as investment advice.

Author: Robert Hauver © 2012 Demar Marketing All Rights Reserved