

## Dividend yield stocks – August 2009

High dividend yield stocks offer a safe haven to investors where safety is of greater priority compared to high returns. Hence, even if the market remains volatile, going ahead, an investor can still get a decent return on investment, thanks to good dividend yielding stocks. The dividends are paid no matter what direction the stocks move and can provide a higher yield on investment in a weak market.

### Exhibit 1: High dividend yield companies

Company Name	Idirect Code	Ex Dividend Date	Dividend (%)	Face Value	CMP (21/08/09)	Dividend Yield (%)
Supreme Industries	SUPIND	1/9/2009	120	10	309.3	3.9
Empee Distilleries	EMPDIS	17/09/2009	50	10	135.1	3.7
Hind Rectifiers	HINREC	31/08/2009	100	2	62.4	3.2
Tips Industries	TIPIND	25/08/2009	11	10	40.9	2.7
Ram Ratna Wires	RAMRAT	24/08/2009	7.5	10	28.1	2.7
Royal Orchid Hotels	ROYORC	3/9/2009	15	10	57.1	2.6
Sterling Tools	STETOO	28/08/2009	10	10	38.8	2.6
Mastek	MASTEK	22/09/2009	150	5	296.1	2.5
Can Fin Homes Chettinad	CANHOM	24/08/2009	20	10	80.0	2.5
Cement	CHECEM	28/08/2009	100	10	426.5	2.3

Source: Capitaline, ICICIdirect.com Research

## RATING RATIONALE

ICICIdirect.com endeavours to provide objective opinions and recommendations. ICICIdirect.com assigns ratings to its stocks according to their notional target price vs. current market price and then categorises them as Outperformer, Performer, Hold and Underperformer. The performance horizon is two years unless specified and the notional target price is defined as the analysts' valuation for a stock.

**Outperformer:** 20% or more

**Performer:** Between 10% and 20%

**Hold:**  $\pm 10\%$  return

**Underperformer:** -10% or more

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