

## 3 Top Dividend Growth Stocks for 2015

### Description

Today, I want to highlight my favourite dividend stocks for 2015. And not just any dividend stocks mind you, but dividend *growth* stocks.

Investors have always relied on dividend stocks for their bond-like income. But in contrast to fixed-income investments, the best dividend names gradually raise their payouts over time. That makes it easier for investors to ensure their portfolio income is keeping up with their rising costs of living.

However, the companies below, at least in my view, stand out from the rest. All three are poised to deliver serious dividend growth in 2015. That's why each one deserves a spot in your portfolio this year and for many decades to come.

#### 1. Agrium Inc

Fertilizer giant **Agrium Inc** (TSX: AGU)(NYSE: AGU) has finally emerged as a legitimate dividend stock. As recently as 2011, the company paid just \$0.06 per share — almost nothing relative to the firm's \$100 plus share price. However, management responded by increasing the company's payout nearly 14-fold, bringing up the stock's yield up to a respectable 3.3%.

In spite of the crazy ups and downs in the fertilizer market, the long-term story at Agrium hasn't changed. As humanity's appetite grows, farmers will need to squeeze more food out of each acre. This will mean more demand for Agrium's fertilizer products and higher dividends for Agrium shareholders.

#### 2. Suncor Energy Inc

**Suncor Energy Inc** (TSX: SU)(NYSE: SU) is becoming a favourite amongst income investors. Since taking the helm in 2011, CEO Steve Williams has more than doubled the size of the company's dividend and repurchased over 10% of outstanding shares. And with oil stocks out of favour on Bay Street, the stock now yields an impressive 3.5%.

Naturally, some investors are worried that falling crude prices could put Suncor's distribution at risk. Yet even with its increased dividend, the company is only paying out about 45% of its earnings. That gives income investors a big margin of safety, even if conditions continue to deteriorate in the oil patch.

#### 3. Enbridge Inc

Pipeline giant **Enbridge Inc** (TSX: ENB)(NYSE: ENB) has been gushing dividends. Earlier this month, the company announced a 33% distribution hike and promised to pay out a greater percentage of profits going forward. In all, Enbridge is on track to grow its payout 15% per year through 2018.

There's still a desperate need for new energy infrastructure thanks to the oil bonanza we're seeing across North America. This means companies like Enbridge that ship, store, and process all of these hydrocarbons are poised to make a fortune. And while lower oil prices are a worry for upstream drillers,

Enbridge earns a profit no matter which direction energy prices go.

## CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. NYSE:SU (Suncor Energy Inc.)
3. TSX:ENB (Enbridge Inc.)
4. TSX:SU (Suncor Energy Inc.)

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rbailieul

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