



Dividend Investors: 5 Stocks Poised to Hike Their Payouts

Description

For many, the biggest challenge when it comes to investing is fear of the unknown. Could the market implode? Could the economy crash? Could a company's earnings miss expectations?

But there's one aspect of investing you can hang your hat on: dividends. If you own a solid dividend-paying stock, you can be virtually certain you'll be paid a regular stream of cash every quarter. For me, at least, seeing those cheques arrive in my brokerage account makes it easier to deal with the market's inevitable ups and downs.

But some companies are so predictable, in fact, that it's possible to know not only when the next payment will arrive, but also when the company will *raise* its dividend. So, with this theme in mind, I've put together a list of five companies that will likely hike their payouts over the next year.

1. Canadian National Railway Company

The **Canadian National Railway Company** ([TSX:CNR](#))([NYSE:CNI](#)) is your ultimate forever stock. Built over a century ago, the firm's network of track cuts right through densely populated cities from coast to coast. Even if you and I could scrape together a few billion bucks, there's no way we could secure the right of ways needed to compete against this company. As a result, CN is a cash flow machine, raising its annual payout nearly 19-fold since going public in 1996.

2. TransCanada Corporation

Few companies are as specific about their dividend-growth plans as **TransCanada Corporation** ([TSX:TRP](#))([NYSE:TRP](#)). In November the pipeline giant said it expects to hike its payout by 8% to 10% annually going forward—in line with growth in earnings per share. With about \$46 billion in planned expansion projects, there's no shortage of growth ahead.

3. McDonald's Corporation

McDonald's Corporation ([NYSE:MCD](#)) knows how to share the wealth. Last year the golden arches returned US\$6.2 billion to investors in combined dividends and share buybacks. And there's more where that came from. According to analyst estimates compiled by *Bloomberg*, McDonald's is

expected to hike its dividend by about 5% this fall.

4. Brookfield Infrastructure Partners L.P.

Brookfield Infrastructure Partners L.P. ([TSX:BIP.UN](#))([NYSE:BIP](#)), as the name would imply, owns a hodgepodge of infrastructure assets all over the world. With \$2.3 billion in cash and credit, the partnership is on the hunt for more acquisitions. Needless to say, that should translate into many more dividend hikes in the coming years.

5. The Coca-Cola Co.

Fearless prediction: **The Coca-Cola Co.** ([NYSE:KO](#)) will raise its dividend in March. How can I be so bold? Well, the soft drink giant has increased its payout every spring (and occasionally more often) for more than 50 years. Coke sales are booming in places like China, India, and much of the rest of the developing world. That ought to keep powering the dividend higher for years to come.

CATEGORY

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TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. NYSE:CNI (Canadian National Railway Company)
3. NYSE:KO (The Coca-Cola Company)
4. NYSE:MCD (McDonald's Corporation)
5. NYSE:TRP (Tc Energy)
6. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
7. TSX:CNR (Canadian National Railway Company)
8. TSX:TRP (TC Energy Corporation)

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