

## 2 Dividend-Growth Stocks for All Investors

### Description

Regardless of your age, dividend-growth stocks should make up a core part of your investment portfolio.

Here are the reasons why **Rogers Communications Inc.** ([TSX:RCI.B](#))([NYSE:RCI](#)) and **Agrium Inc.** (TSX:AGU)(NYSE:AGU) are solid picks to help you get started.

#### Rogers Communications

The Canadian media and telecom industry is going through a series of major changes, but Rogers is doing a good job of keeping up. In fact, things are starting to look like the company might have been well ahead of the curve.

As Canada's largest mobile operator, Rogers appears to have dodged a bullet on the expiration of three-year contracts because free cash flow for Q2 2015 came in at \$476 million, up a solid 9% compared with the same period last year. That's going to remove some of the concerns that had hovered over the stock's wireless operations.

Investors could also see the company's sports divisions deliver strong results for Q3 2015 as well as through the first half of next year.

The Toronto Blue Jays are having their best season in more than two decades and that is translating into a massive increase in ticket and merchandise sales, as well as higher TV viewership. Beyond that, Rogers is looking forward to the NHL season.

Last year was the first of its 12-year deal as the exclusive broadcaster of the NHL in Canada. Critics had no shortage of complaints and advertisers were getting nervous half-way through the season as viewer numbers lagged expectations. The playoffs helped restore faith in the \$5.2 billion bet, and investors are eager to see what changes the company will make this year to bring in more fans.

If the Leafs have a strong year and at least four of the Canadian teams make the playoffs, the NHL results could be much stronger.

Rogers has a good track record of dividend growth and the current distribution of \$1.92 per share yields a juicy 4.4%. Right now, you can pick up the stock for a reasonable 14.7 times earnings, but the discount might not last if Q3 turns out to be a strong quarter.

#### Agrium Inc.

As the world's largest retailer of seed and crop protection solutions and one of the globe's main suppliers of wholesale fertilizer products, Agrium is well positioned to benefit from an alarming trend—global population growth.

The world is currently home to seven billion people. That number is expected to be as high as 11 billion by 2050.

Agrium recently completed a major expansion at its Vanscoy potash facility and is wrapping up another capital project at its Borger nitrogen plant. As these projects shift from development to full production, Agrium's shareholders should see a flood of free cash flow hit their pockets in the form of higher dividends and share buybacks.

The company pays a dividend of US\$3.50 per share that yields about 3.4%. Agrium has increased its dividend significantly over the past few years and the trend should continue as free cash flow expands.

Despite the 35% gain in the shares over the past year, Agrium still trades at a reasonable 12 times forward earnings.

Investors should look beyond the short-term speed bumps when buying this stock because the long-term outlook is compelling.

## CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

1. NYSE:RCI (Rogers Communications Inc.)
2. TSX:RCI.B (Rogers Communications Inc.)

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