



3 of the Top Dividend Stocks Money Can Buy

Description

As history shows, dividend-paying stocks outperform non-dividend-paying stocks over the long term. This means that we should all own at least one dividend-paying stock, and depending on your age, investment goals, and risk tolerance, maybe even a diversified portfolio full of them. With this in mind, let's take a look at three of the top dividend stocks that your money can buy today.

1. Canadian Imperial Bank of Commerce

Canadian Imperial Bank of Commerce ([TSX:CM](#))([NYSE:CM](#)) is the fifth-largest bank in Canada with approximately \$463.3 billion in total assets. It pays a quarterly dividend of \$1.15 per share, or \$4.60 per share annually, giving its stock a 4.95% yield at today's levels.

It is also important for investors to make three notes. First, CIBC has increased its dividend for five consecutive quarters. Second, it has increased its annual dividend payment for five consecutive years, and it is currently on track for 2016 to mark the sixth consecutive year with an increase. Third, the company has a target dividend-payout ratio range of 40-50% of net earnings, so its consistent growth, including an adjusted 4.5% year-over-year increase to \$3.82 billion in fiscal 2015, should allow this streak to continue going forward.

2. Thomson Reuters Corp.

(All figures are in U.S. dollars)

Thomson Reuters Corp. ([TSX:TRI](#))([NYSE:TRI](#)) is the world's leading source of intelligent information for businesses and professionals. It pays a quarterly dividend of \$0.335 per share, or \$1.34 per share annually, giving its stock a 3.6% yield at today's levels.

Investors must also make two important notes. First, Thomson Reuters has increased its annual dividend payment for 22 consecutive years, and it is currently on pace for 2016 to mark the 23rd consecutive year with an increase. Second, the company has a target dividend-payout ratio range of 40-50% of its annual free cash flow, so its strong growth, including 24.9% year-over-year growth to \$1.09 billion in the first nine months of fiscal 2015, should allow this streak to continue going forward.

3. Canadian Utilities Limited

Canadian Utilities Limited ([TSX:CU](#)) is one of the largest utilities and energy companies in North America with operations in pipelines, natural gas and electricity transmission and distribution, power generation and sales, and natural gas gathering, processing, storage, and liquid extraction. It pays a quarterly dividend of \$0.295 per share, or \$1.18 per share annually, giving its stock a 3.7% yield at today's levels.

It is also very important for investors to note that Canadian Utilities has raised its annual dividend payment for 43 consecutive years, which is tied for the longest active streak for a public corporation in Canada, and it is currently on pace for 2016 to mark the 44th consecutive year with an increase.

Which of these dividend aristocrats should you buy?

Canadian Imperial Bank of Commerce, Thomson Reuters, and Canadian Utilities are three of the top dividend stocks money can buy. All Foolish investors should strongly consider making at least one of them a core holding today.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
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5. Tech Stocks

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NASDAQ:TRI (Thomson Reuters)
2. NYSE:CM (Canadian Imperial Bank of Commerce)
3. TSX:CM (Canadian Imperial Bank of Commerce)
4. TSX:CU (Canadian Utilities Limited)
5. TSX:TRI (Thomson Reuters)

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