

3 Stocks With 20+ Years of Dividend Increases

Description

As Foolish investors know, dividend-paying stocks far outperform their non-dividend-paying counterparts over the long term, and the top returners are those that increase their rates as often as possible. With these facts in mind, let's take a look at three stocks that have raised their annual dividend payments for 20 consecutive years or more, so you can determine if you should buy one or more of them today.

1. Canadian Western Bank

Canadian Western Bank ([TSX:CWB](#)) is one of the largest banking institutions in Canada's four western provinces with over \$22 billion in total assets. It currently pays a dividend of \$0.23 per share quarterly, or \$0.92 per share annually, which gives its stock a 3.9% yield at today's levels.

Investors must also make two important notes. First, Canadian Western Bank has raised its annual dividend payment for 23 consecutive years, the third-longest active streak for a public corporation in Canada, and its 4.5% increase in December 2015 puts it on pace for 2016 to mark the 24th consecutive year with an increase. Second, the company has a target dividend-payout range of about 30% of net earnings, so its consistent growth 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, which it describes as "a unique synthesis of human intelligence, industry expertise, and innovative technology." It currently pays a dividend of \$0.335 per share quarterly, or \$1.34 per share annually, which gives its stock a 3.6% yield at today's levels.

It is also very important for investors to make two notes.

First, Thomson Reuters has raised its annual dividend payment for 22 consecutive years, which ties it with **ATCO Ltd.** for the fourth-longest active streak for a public corporation in Canada.

Second, the company has a target dividend-payout range of 40-50% of its annual free cash flow, so its 24.9% year-over-year growth to \$1.09 billion in the first nine months of fiscal 2015 should allow this streak to continue in 2016.

3. Empire Company Limited

Empire Company Limited ([TSX:EMP.A](#)) is one of Canada's largest food retailers through its wholly owned Sobeys Inc. subsidiary, and it also has a 41.5% ownership interest in **Crombie Real Estate Investment Trust**, which is one of the country's largest owners of commercial real estate. It currently pays a dividend of \$0.10 per share quarterly, or \$0.40 per share annually, which gives its stock a 1.6%

yield at today's levels.

Investors must also note that Empire has raised its annual dividend payment in each of its last 20 fiscal years, and its 11.1% increase in June 2015 puts it on pace for fiscal 2016 to mark the 21st consecutive year with an increase.

Which of these dividend dynamos belong in your portfolio?

Canadian Western Bank, Thomson Reuters, and Empire Company Limited have raised their dividends for 20 years or more, making them three of the top dividend-growth plays in the market today. All Foolish investors should strongly consider making at least one of them a core holding.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NASDAQ:TRI (Thomson Reuters)
2. TSX:CWB (Canadian Western Bank)
3. TSX:EMP.A (Empire Company Limited)
4. TSX:TRI (Thomson Reuters)

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