

3 Top Dividend Growth Stocks to Buy Now

Description

If you're new to investing, there are two facts you must know. One, dividend-paying stocks outperform non-dividend-paying stocks over the long term, and two, 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 companies that have raised their dividends for 14 consecutive years or more, so you can determine if you should buy one of them today.

1. Saputo Inc.

Saputo Inc. ([TSX:SAP](#)) is the largest dairy processor in Canada and one of the ten largest in the world. It currently pays a dividend of \$0.135 per share quarterly, or \$0.54 per share annually, which gives its stock a 1.7% yield at today's levels.

Investors should also make two important notes.

First, Saputo has raised its annual dividend payment in each of its last 15 fiscal years.

Second, the company's 3.8% increase in August 2015 puts it on pace for fiscal 2016 to mark the 16th consecutive year with an increase.

2. SNC-Lavalin Group Inc.

SNC-Lavalin Group Inc. (TSX:SNC) is one of the world's largest engineering and construction companies. It currently pays a dividend of \$0.25 per share quarterly, or \$1.00 per share annually, which gives its stock a 2.5% yield at today's levels.

It is also important for investors to make two notes.

First, SNC-Lavalin has raised its annual dividend payment for 15 consecutive years.

Second, the company traditionally announces its dividend increases in its fourth-quarter earnings releases, so investors should look for its next increase when it reports on March 3.

3. Canadian REIT

Canadian REIT (TSX:REF.UN) is one of North America's largest owners of retail, industrial, and office properties, with ownership interests in 198 properties that total approximately 33 million square feet. It currently pays a distribution of \$0.15 per share monthly, or \$1.80 per share annually, which gives its stock a 4.4% yield at today's levels.

Investors should also make three important notes.

First, Canadian REIT has raised its annual distribution for 14 consecutive years.

Second, the company's 2.9% increase in June 2015 puts it on pace for 2016 to mark the 15th consecutive year with an increase.

Third, I think its increased amount of funds from operations, including \$165.4 million in the first nine months of fiscal 2015, and its low payout ratio, including 58.5% in the same period, could allow for another increase in 2016.

Which of these dividend all-stars belong in your portfolio?

Saputo, SNC-Lavalin Group, and Canadian REIT are three of the top dividend growth stocks in the market. All Foolish investors should take a closer look at each and strongly consider establishing positions in one of them today.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:ATRL (SNC-Lavalin Group)
2. TSX:SAP (Saputo Inc.)

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Date

2025/09/21

Date Created

2016/01/12

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