



3 Dividend-Growth Stocks I'd Buy With an Extra \$15,000

Description

As Foolish investors know, dividend-paying stocks outperform non-dividend-paying stocks over the long term, and the top returners are those that increase their rates as often as possible. With this information in mind, let's take a look at three top stocks you could buy today to form your ultimate dividend-growth portfolio.

1. Emera Inc.

Emera Inc. ([TSX:EMA](#)) is one of the largest electric utilities companies in North America. It currently pays a dividend of \$0.475 per share quarterly, or \$1.90 per share annually, which gives its stock a 4.4% yield at today's levels.

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

First, Emera has raised its annual dividend payment for nine consecutive years, and its recent increases, including its 18.8% increase in August 2015, puts it on pace for 2016 to mark the 10th consecutive year with an increase.

Second, the company has a program in place to raise its dividend by 8% annually through 2019, which would bring its streak of annual increases to 13, and I think it will extend this program or announce a new one as 2019 nears.

2. Laurentian Bank of Canada

Laurentian Bank of Canada ([TSX:LB](#)) is one of the largest financial institutions in eastern Canada with over \$39 billion in total assets. It currently pays a dividend of \$0.58 per share quarterly, or \$2.32 per share annually, which gives its stock a 5.3% yield at today's levels.

Investors must also make two important notes.

First, Laurentian Bank has raised its annual dividend payment for eight consecutive years, and its recent increases, including its 3.6% increase in December 2015, puts it on pace for 2016 to mark the

ninth consecutive year with an increase.

Second, the company has kept its dividend payout ratio close to 40% of its adjusted net earnings over the last few years, so its consistent growth, including 5% year-over-year growth to \$172.2 million in fiscal 2015, should allow its streak of annual increases to continue going forward.

3. Jean Coutu Group PJC Inc.

Jean Coutu Group PJC Inc. (TSX:PJC.A) is one of the largest franchisers of pharmacies and manufacturers of generic drugs in Canada. It currently pays a dividend of \$0.11 per share quarterly, or \$0.44 per share annually, which gives its stock a 2.5% yield at today's levels.

Investors must also note that Jean Coutu has raised its regular annual dividend rate in each of its last eight fiscal years, and its 10% increase in April 2015 puts it on pace for fiscal 2016 to mark the ninth consecutive year with an increase.

Which of these dividend dynamos belong in your portfolio?

Emera, Laurentian Bank of Canada, and Jean Coutu Group are three of the top dividend-growth stocks in their respective industries. All Foolish investors should strongly consider making one or more of them a core holding today.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:EMA (Emera Incorporated)
2. TSX:LB (Laurentian Bank of Canada)
3. TSX:TLRY (Aphria)

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