



3 Energy Stocks That Recently Increased Their Dividends

Description

If you're new to investing, there are two facts that 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 every year. With these facts in mind, let's take a look at three energy stocks that have raised their dividends this month, so you can determine which would be the best fit for your portfolio.

1. TransAlta Renewables Inc.

TransAlta Renewables Inc. ([TSX:RNW](#)) is one of Canada's largest owners and operators of renewable power generation facilities, and it is the country's largest producer of wind power.

On January 6, it announced a 4.8% increase to its dividend to \$0.07333 per share monthly, or \$0.88 per share annually, and this is effective for its February payment and gives its stock a yield of about 9.7% at today's levels.

Investors must also note that TransAlta Renewables has raised its annual dividend payment each year since it went public in August 2013, resulting in two consecutive years of increases, and it is currently on pace for 2016 to mark the third consecutive year with an increase.

2. ATCO Ltd.

ATCO Ltd. ([TSX:ACO.X](#)) is a diversified global corporation with operations in the utilities, energy, structures, and logistics industries.

On January 7, it announced a 15.2% increase to its dividend to \$0.285 per share quarterly, or \$1.14 per share annually, and this gives its stock a yield of about 3.4% at today's levels.

It is also very important to note that ATCO has raised its annual dividend payment for 22 consecutive years, and this increase puts it on pace for 2016 to mark the 23rd consecutive year with an increase.

3. Canadian Utilities Limited

Canadian Utilities Limited ([TSX:CU](#)) is one of the largest utilities and energy companies in North America, and it is a principal subsidiary of the aforementioned ATCO Ltd.

On January 7 it announced a 10.2% increase to its dividend to \$0.325 per share quarterly, or \$1.30 per share annually, and this gives its stock a yield of about 4.3% at today's levels.

Investors must also note that Canadian Utilities has raised its annual dividend payment for 43 consecutive years, which is tied with **Fortis Inc.** for the longest active streak for a public corporation in Canada, and this increase puts it on pace for 2016 to mark the 44th consecutive year with an increase.

Does one of these dividend growers belong in your portfolio?

TransAlta Renewables, ATCO, and Canadian Utilities recently raised their dividends, and all represent great long-term investment opportunities. Foolish investors should take a closer look and strongly consider initiating positions in one of them today.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. TSX:ACO.X (ATCO Ltd.)
2. TSX:CU (Canadian Utilities Limited)
3. TSX:RNW (TransAlta Renewables)

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