

3 Stocks With 7 Consecutive Years of Dividend Hikes

Description

As most investors know, dividend-paying stocks far outperform non-dividend paying stocks over the long term. However, what many forget is that the top returners are those that increase their rates every year. With this in mind, let's take a look at three stocks that have raised their annual dividend payments for seven consecutive years, so you can determine if you should buy one or more of them today.

1. Inter Pipeline Ltd.

Inter Pipeline Ltd. (TSX:IPL) is one of the leading providers of petroleum transportation, bulk liquid storage, and natural gas liquids extraction services in Canada and Europe. It pays a monthly dividend of \$0.13 per share, or \$1.56 per share annually, which gives its stock a yield of approximately 7.1% at today's levels.

It is also very important for investors to note that Inter Pipeline has raised its annual dividend payment for seven consecutive years, and its 6.1% hike in November 2015 has it on pace for 2016 to mark the eighth consecutive year with an increase.

2. BCE Inc.

BCE Inc. (TSX:BCE)(NYSE:BCE) is the largest communications company in Canada. It pays a quarterly dividend of \$0.65 per share, or \$2.60 per share annually, which gives its stock a yield of approximately 4.6% at today's levels.

It is also important for investors to make two notes.

First, BCE has raised its annual dividend payment for seven consecutive years.

Second, it has a target dividend-payout range of 65-75% of its free cash flow, so I think its very strong growth, including 9% year-over-year growth to \$2.08 billion in the first nine months of fiscal 2015, will allow it to hike its dividend when it announces its fourth-quarter earnings on February 4.

3. Enghouse Systems Limited

Enghouse Systems Limited (TSX:ESL) is one of the leading developers of enterprise-oriented software solutions. It pays a quarterly dividend of \$0.12 per share, or \$0.48 per share annually, which gives its stock a yield of approximately 0.8% at today's levels.

A 0.8% yield is far from impressive, but investors must note that Enghouse Systems has raised its annual dividend payment for seven consecutive years, and its 20% hike in March 2015 has it on pace for 2016 to mark the eighth consecutive year with an increase.

Which of these dividend-growth stocks belongs in your portfolio?

Inter Pipeline, BCE, and Enghouse Systems have impressive streaks of annual dividend increases,

and all are well positioned to continue their streaks going forward. Foolish investors should take a closer look at each and strongly consider initiating positions in at least one of them today.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. TSX:BCE (BCE Inc.)

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