



3 Great Dividend Stocks for Beginner Investors

Description

If you're new to investing and are looking to build a dividend-based portfolio, then this article is for you. I've scoured the market and selected three great stocks with high dividend yields, active streaks of annual increases, and the ability to continue growing their payouts going forward, so let's take a quick look at each to determine if you should buy one or all of them today.

1. Manulife Financial Corp.

Manulife Financial Corp. ([TSX:MFC](#))([NYSE:MFC](#)) is the largest insurance company in Canada, the second-largest in North America, and the fifth-largest in the world with over \$935 billion in assets under management and administration. It currently pays a quarterly dividend of \$0.185 per share, or \$0.74 per share annually, which gives its stock a yield of about 4% at today's levels.

It is also important to make two notes.

First, the company has raised its annual dividend payment for two consecutive years, and its recent increases, including its 8.8% hike in February, have it on pace for 2016 to mark the third consecutive year with an increase.

Second, I think Manulife's strong earnings growth, including its 13.5% year-over-year increase to \$1.68 per diluted share in fiscal 2015, could allow it to announce another dividend hike before the end of the year.

2. Canadian Utilities Limited

Canadian Utilities Limited ([TSX:CU](#)) is a diversified global corporation with operations in electricity, pipelines and liquids, and retail energy. It currently pays a quarterly dividend of \$0.325 per share, or \$1.30 per share annually, which gives its stock a yield of about 3.7% at today's levels.

It is also important to make two notes.

First, the company has raised its annual dividend payment for 43 consecutive years, making it one of

the top dividend-growth stocks in the market, and its 10.2% hike in January has it on pace for 2016 to mark the 44th consecutive year with an increase.

Second, I think Canadian Utilities's consistent earnings growth, including its 20% year-over-year increase to \$2.52 per share in fiscal 2015, and its modest payout ratio will allow its streak of annual dividend increases to continue for the foreseeable future.

3. North West Company Inc.

North West Company Inc. ([TSX:NWC](#)) is one of the leading retailers of food and everyday products to rural communities and urban neighborhoods in Canada, Alaska, the South Pacific, and the Caribbean. It currently pays a quarterly dividend of \$0.31 per share, or \$1.24 per share annually, which gives its stock a yield of about 4.3% at today's levels.

It is also important to make two notes.

First, the company has raised its regular annual dividend payment for four consecutive years, and its 6.9% hike in September 2015 has it on pace for 2016 to mark the fifth consecutive year with an increase.

Second, I think North West's increased amount of cash flow from operating activities, including its 15.6% year-over-year increase to \$133 million in fiscal 2015, will allow it to announce another dividend hike at some point in 2016.

CATEGORY

1. Dividend Stocks
2. Investing
3. Stocks for Beginners

TICKERS GLOBAL

1. NYSE:MFC (Manulife Financial Corporation)
2. TSX:CU (Canadian Utilities Limited)
3. TSX:MFC (Manulife Financial Corporation)
4. TSX:NWC (The North West Company Inc.)

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