

## 3 Great Dividend Stocks to Buy Now

### Description

If you're interested in buying a dividend-paying stock or are interested in building a portfolio full of them, then this article is for you. I've scoured the market and selected three great dividend stocks from different industries with high and safe yields of 3-6%, so let's take a quick look at each to determine if you should buy one or all of them today.

#### 1. Canadian Utilities Limited

**Canadian Utilities Limited** ([TSX:CU](#)) is a diversified global corporation with operations in pipelines and liquids, electricity, and energy sales. It pays a quarterly dividend of \$0.325 per share, or \$1.30 per share annually, which gives its stock a yield of about 3.6% at today's levels.

Investors must also make the following two notes.

First, Canadian Utilities's 10.2% dividend hike in January has it on pace for 2016 to mark the 44th consecutive year in which it has raised its annual dividend payment, tying it with one other company for the longest active streak for a public corporation in Canada.

Second, I think the company's strong financial performance, including its 51.5% year-over-year increase in net earnings to an adjusted \$197 million in the first quarter of fiscal 2016, and its growing asset base, including its 6.5% year-over-year increase to \$18.1 billion in the same period, will allow its streak of annual dividend increases to continue for the foreseeable future.

#### 2. First National Financial Corp.

**First National Financial Corp.** ([TSX:FN](#)) is Canada's largest non-bank originator and underwriter of mortgages with over \$94 billion in mortgages under administration. It currently pays a monthly dividend of \$0.129167 per share, or \$1.55 per share annually, which gives its stock a yield of about 5.5% at today's levels.

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First, on April 26, First National announced a 9.7% increase to its dividend to \$0.14167 per share monthly, or \$1.70 per share annually. This increase is effective for its June dividend payment and gives its stock a yield of about 6.1% when using its current share price.

Second, the company has raised its annual dividend payment for four consecutive years, and its two hikes since the start of 2015, including the one noted above and its 3.3% hike in October 2015, have it on pace for 2016 to mark the fifth consecutive year with an increase.

Third, I think First National's very strong financial performance, including its 47.8% year-over-year increase in pre-fair market value earnings before interest, taxes, depreciation, and amortization (pre-FMV EBITDA) to \$56.8 million in the first quarter of fiscal 2016, and its growing portfolio of mortgages

under administration, including its 8.4% year-over-year increase to a record \$94.3 billion in the same period, will allow its streak of annual dividend increases to continue going forward.

### 3. DH Corp.

**DH Corp.** (TSX:DH) is one of the leading providers of financial technology and related solutions to the world's financial institutions. It pays a quarterly dividend of \$0.32 per share, or \$1.28 per share annually, which gives its stock a yield of about 4% at today's levels.

Investors must also make the following two notes.

First, DH Corp. has maintained its current annual dividend rate since 2013.

Second, I think the company's very strong growth of net cash from operating activities, including its 38.1% year-over-year increase to \$282.2 million in fiscal 2015 and its 248.8% year-over-year increase to \$67.2 million in the first quarter of fiscal 2016, could allow it to raise its dividend in the very near future.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:CU (Canadian Utilities Limited)
2. TSX:FN (First National Financial Corporation)

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