



4 High-Quality Dividend-Growth Stocks to Buy and Hold

Description

As history has shown, owning a portfolio of dividend-paying stocks is the best way to build wealth over the long term, and this investment strategy generates the highest returns when you own stocks that raise their payouts every year. With this in mind, let's take a look at four stocks with yields up to 5.7%, active streaks of annual increases, and the ability to continue growing their payouts going forward, so you can determine if you should invest in one of them today.

1. Enbridge Income Fund Holdings Inc.

Enbridge Income Fund Holdings Inc. (TSX:ENF) owns a portfolio of high-quality, low-risk energy infrastructure assets in North America, including crude oil and natural gas liquids pipelines, natural gas transmission lines, storage facilities, and renewable power-generation facilities, all of which are operated by **Enbridge Inc.**

It pays a monthly dividend of \$0.1555 per share, or \$1.866 per share annually, giving its stock a yield of about 5.7% at today's levels. Investors must also note that the company's two dividend hikes since the start of 2015, including its 10% hike in September 2015 and its 10% hike in January 2016, have it on pace for 2016 to mark the sixth consecutive year in which it has raised its annual dividend payment, and it has a dividend-growth target of 10% annually through 2019.

2. Toronto-Dominion Bank

Toronto-Dominion Bank ([TSX:TD](#))([NYSE:TD](#)) is Canada's second-largest bank with approximately \$1.12 trillion in assets as of April 30, 2016.

It pays a quarterly dividend of \$0.55 per share, or \$2.20 per share annually, giving its stock a yield of about 3.9% at today's levels. Investors must also note that the company's 7.8% dividend hike in February has it on pace for 2016 to mark the sixth consecutive year in which it has raised its annual dividend payment, and it has a target payout range of 40-50% of its net earnings.

3. Canadian Tire Corporation Limited

Canadian Tire Corporation Limited ([TSX:CTC.A](#)) is one of Canada's largest retailers through its many banners, including Canadian Tire, PartSource, Sport Chek, and Mark's. It also owns Canadian Tire Financial Services, which operates as Canadian Tire Bank, and it has an 84% ownership stake in **CT Real Estate Investment Trust**, which is one of the country's largest owners of commercial real estate.

It pays a quarterly dividend of \$0.575 per share, or \$2.30 per share annually, giving its stock a yield of about 1.6% at today's levels. A 1.6% yield may not seem impressive at first, but investors must note that the company's 9.5% dividend hike in November has it on pace for 2016 to mark the sixth consecutive year in which it has raised its annual dividend payment, and its strong operational performance and low payout ratio could allow this streak to continue for the foreseeable future.

4. Boardwalk REIT

Boardwalk REIT ([TSX:BEI.UN](#)) is one of Canada's largest residential landlords. It owns and operates more than 200 apartment communities located across Alberta, Saskatchewan, Ontario, and Quebec.

It pays a monthly distribution of \$0.1875 per share, or \$2.25 per share annually, giving its stock a yield of about 3.95% at today's levels. Investors must also note that the company's 10.3% distribution hike in February has it on pace for 2016 to mark the fifth consecutive year in which it has raised its annual distribution, and it has paid out special distributions in December in each of the last two years.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:TD (The Toronto-Dominion Bank)
2. TSX:BEI.UN (Boardwalk Real Estate Investment Trust)
3. TSX:CTC.A (Canadian Tire Corporation, Limited)
4. TSX:TD (The Toronto-Dominion Bank)

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Date

2025/08/23

Date Created

2016/07/05

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