



Need a Raise? Consider Investing in These 3 Stocks

Description

Unless you are financially independent, the odds are pretty good that you would love a raise to get you a step closer to your own independence day. Unfortunately, most employers have been rather stingy when it comes to giving raises.

According to Statistics Canada, the median after-tax income for Canadian families has grown by a meagre rate of just 1.2% since 2000. In most years, that is less than the rate of inflation, meaning that many Canadians have not experienced a real raise in years.

That said, there are other options for those looking to grow their income stream. Just invest in **TransCanada Corporation** ([TSX:TRP](#))([NYSE:TRP](#)), **Brookfield Infrastructure Partners L.P.** ([TSX:BIP.UN](#))([NYSE:BIP](#)), and **Brookfield Property Partners LP** ([TSX:BPY.UN](#))([NYSE:BPY](#)), which all plan to give investors healthy raises in the upcoming years.

A steady stream of generous raises

Canadian pipeline giant TransCanada already pays its investors pretty well; its 3.8% yield is well above the market's average. Further, it has a long history of giving investors raises, having increased the payout by a 7% compound annual rate since 2000, which is substantially more than the average pay increase Canadians received over that same time frame.

The company, however, sees even better growth ahead of it. It's projecting to grow the dividend by 8-10% annually through 2020. Fueling that growth is the fact that TransCanada has \$25 billion of projects currently under development. As these projects come online, they will boost the company's cash flow, providing it with more money to distribute to investors.

Get ready for another big bump in 2017

Global infrastructure giant Brookfield Infrastructure Partners, likewise, has a long history of providing generous raises to investors. Since 2009, the company has increased the payout by 12% compounded annually, which is one reason why units currently yield a very lucrative 4.8%.

Looking ahead, Brookfield Infrastructure Partners is already on pace to provide investors with another generous income increase next year. After boosting the payout 11% this year, the company told investors that “should we continue to execute our current growth initiatives as anticipated, we believe that our next increase may be at the higher end of our annual distribution growth range” of 5-9%.

The company [secured that high-end growth](#) after announcing that it recently agreed to acquire a stake in a Brazilian natural gas utility. However, given that it still has plenty of time and [ample opportunities](#), Brookfield Infrastructure Partners could keep its double-digit distribution growth streak alive by securing additional acquisitions.

Slow and steady wins the race

For investors that want even more income now, Brookfield Property Partners currently yields 5.2%. Further, similar to its sibling, Brookfield’s real estate arm expects to deliver 5-8% annual distribution growth for years to come. While the company completes its share of acquisitions, organic growth will be the primary driver of distribution increases going forward.

In the near term, Brookfield expects meaningful cash flow growth as it captures rising rents from either contract escalations or new leases. In addition, the company is investing millions of dollars to redevelop several properties across its core retail and office portfolios. However, the biggest long-term growth driver is the significant amount of capital Brookfield is investing in development projects across the world.

In its core office portfolio, the company has \$4.2 billion of office projects under construction, while it is also building a core urban multi-family portfolio from the ground up, investing \$1.6 billion on a half dozen projects. As these projects open their doors over the next few years, it will provide a significant boost to the company’s income stream and support future distribution increases to investors.

Investor takeaway

Those looking for a raise without searching for a new job have options. One of the best options is to buy dividend-paying stocks that have clearly visible growth potential. Among the best, in my opinion, are TransCanada, Brookfield Infrastructure Partners, and Brookfield Property Partners because all three pay very generous dividends now and have visible future growth lined up.

CATEGORY

1. Dividend Stocks
2. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. NYSE:TRP (Tc Energy)
3. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)

4. TSX:BPY.UN (Brookfield Property Partners)
5. TSX:TRP (TC Energy Corporation)

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Date

2025/08/14

Date Created

2016/12/15

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