2 Attractive Dividend Stocks I'd Buy Today

Description

One of the most well-known facts about investing is that dividend-paying stocks far outperform their non-dividend-paying counterparts over the long term. It's for this reason that all long-term investors should own at least one dividend-paying stock, and, depending on your age, investment goals, and risk tolerance, maybe even a diversified portfolio full of them.

With all of this in mind, let's take a look at two great dividend stocks that you could buy right now.

Valener Inc.

Valener Inc. (TSX:VNR) is a publicly traded company whose main assets consists of a 29% direct interest in Gaz Métro and a 24.5% interest in Seigneurie de Beaupré Wind Farms. Gaz Métro is the largest natural gas distributor in Québec and the sole natural gas distributor and the largest electricity distributor in Vermont, and Seigneurie de Beaupré Wind Farms is one of Canada's largest producers of wind power.

Valener currently pays a quarterly dividend of $0.28 per share, representing $1.12 per share annually, giving its stock a yield of about 5% today.

On top of being a high-yielding dividend stock, Valener is an up-and-coming dividend-growth star. It has raised its annual dividend payment in each of the last two years, and its 3.7% hike in November 2016 has it positioned for fiscal 2017 to mark the third consecutive year with an increase.

Valener's dividend growth will continue in the years ahead too. It has a dividend-growth program in place that calls for 4% compound annual growth through fiscal 2022, and I think its strong financial performance, including its 7.9% year-over-year increase in adjusted net income attributable to common shareholders to $1.37 per share and its 8.9% year-over-year increase in normalized operating cash flow to $0.61 per share in the first half of fiscal 2017, will allow it to complete this program and announce a new one that extends into the late 2020s.

Laurentian Bank of Canada

Laurentian Bank of Canada (TSX:LB) is one of Canada's largest financial institutions. It provides a wide range of banking services to individuals, small- and medium-sized enterprises, and independent advisors, and it operates as a full-service brokerage firm.

Laurentian Bank currently pays a quarterly dividend of $0.62 per share, representing $2.48 per share annually, and this gives its stock a yield of approximately 4.8% at today's levels.

Like Valener, Laurentian Bank has shown a dedication to growing its dividend, but it's a proven star rather than an up-and-comer. It has raised its annual dividend payment for nine consecutive years, giving it a longer active streak than Canada's five largest banks, and its three hikes in the last 13 months have it on pace for 2017 to mark the 10th consecutive year with an increase.

I think Laurentian Bank will continue to be one of the financial sector's top picks for high yield and dividend growth going forward too. It has a target dividend-payout range of 40-50% of its adjusted net income available to common shareholders, so I think its continual growth, including its 6.8% year-over-year increase to $173.7 million in fiscal 2016 and its 11.9% year-over-year increase to $95.81 million in the first half of fiscal 2017, will allow its streak of annual dividend increases to easily continue into the late 2020s.

Which of these high yielders belongs in your portfolio?

I think Valener and Laurentian Bank represent fantastic long-term investment opportunities. Foolish investors should take a closer look at each and strongly consider initiating positions in at least one of them today.

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