



## 2 Excellent Dividend-Growth Stocks Yielding up to 4.4%

### Description

Investing in dividend-growth stocks is one of the most powerful methods to build wealth over the long term. With this in mind, let's take a look at two with yields up to 4.4% that you could buy right now.

#### Methanex Corporation

**Methanex Corporation** ([TSX:MX](#))([NASDAQ:MEOH](#)) is the world's leading producer and distributor of methanol. It has an estimated 14% share of the global methanol market and a presence in all major international markets.

Methanex currently pays a quarterly dividend of US\$0.30 per share, representing US\$1.20 per share on an annualized basis, and this gives its stock a yield of about 2.9% today.

A 2.9% yield may not peak your interest at first, but what we care about most is dividend growth, and Methanex has shown a strong dedication to delivering just that. It has raised its annual dividend payment for six consecutive years, and its 9.1% hike in April has it positioned for 2017 to mark the seventh consecutive year with an increase.

I think Methanex will continue to deliver dividend growth in the years ahead as well. I think its very strong operational performance, including its 21.4% year-over-year increase in sales volume to 2.57 million tonnes and its 215.3% year-over-year increase in operating cash flow to US\$220.65 million in the first quarter of 2017, and its very positive outlook on the methanol market, including its projected 5% compound annual growth rate of demand from 2016 to 2020, will allow its streak of annual dividend increases to continue in 2018 and beyond.

#### Brookfield Infrastructure Partners L.P.

**Brookfield Infrastructure Partners L.P.** ([TSX:BIP.UN](#))([NYSE:BIP](#)) is one of the world's leading owners and operators of high-quality infrastructure assets. Its portfolio consists of assets such as electricity transmission lines, natural gas transmission lines and storage facilities, rail tracks, ports, toll roads, and communications towers, which are located across North and South America, Asia Pacific, and Europe.

Brookfield currently pays a quarterly distribution of US\$0.435 per unit, representing US\$1.74 per unit on an annualized basis, which gives it a yield of about 4.4% today.

Like Methanex, Brookfield has shown a strong dedication to growing its distribution. It has raised its annual distribution for seven consecutive years, and its two hikes in the last 12 months, including its 3.5% hike in August 2016 and its 10.6% hike in February of this year, have it on pace for 2017 to mark the eighth consecutive year with an increase.

Brookfield will continue to be a reliable source of distribution growth for many years to come too. It has a long-term distribution-growth target of 5-9% annually, and I think its very strong financial performance, including its 4.4% year-over-year increase in funds from operations to US\$0.71 per unit in the first quarter of 2017, and its strategic growth initiatives, including the over US\$2 billion worth of projects that currently sit in its capital backlog, will allow it to achieve this growth target into the late 2020s at least.

### **Which of these top dividend stocks belongs in your portfolio?**

I think Methanex and Brookfield Infrastructure Partners would make great additions to any Foolish portfolio, so take a closer look at each and strongly consider adding one or both to yours today.

### **CATEGORY**

1. Dividend Stocks
2. Investing

### **POST TAG**

1. Editor's Choice

### **TICKERS GLOBAL**

1. NASDAQ:MEOH (Methanex Corporation)
2. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
3. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
4. TSX:MX (Methanex Corporation)

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