

2 Dividend-Growth All-Stars With Yields Over 3%

Description

Investing in a group of 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 excellent dividend-growth stocks with yields over 3% that you could buy right now.

Canadian Utilities Limited

Canadian Utilities Limited ([TSX:CU](#)) is a diversified global corporation that provides services and solutions in the electricity, pipelines and liquids, retail energy, and structures and logistics industries.

It currently pays a quarterly dividend of \$0.3575 per share, equal to \$1.43 per share annually, and this gives its stock a yield of approximately 3.4% at today's levels.

Investors must also make the following two notes.

First, Canadian Utilities has raised its annual dividend payment for 44 consecutive years, the longest active streak for a public corporation in Canada, and its 10% hike in January has it on pace for 2017 to mark the 45th consecutive year with an increase.

Second, I think its very strong financial performance, including its 9.1% year-over-year increase in adjusted earnings to a record \$215 million in the first quarter of 2017, and its strategic growth initiatives, including the \$5 billion it plans to invest in capital-growth projects through 2019, will allow its streak of annual dividend increases to continue for many more decades.

Transcontinental Inc.

Transcontinental Inc. ([TSX:TCL.A](#)) is the largest printer in Canada with operations in print, flexible packaging, publishing, and digital media.

It currently pays a quarterly dividend of \$0.20 per share, equal to \$0.80 per share annually, giving its stock a 3.1% yield today.

It's also important to make the following two notes.

First, Transcontinental has raised its annual dividend payment for 15 consecutive years, and its recent hikes, including its 8.1% hike in March, have it positioned for 2017 to mark the 16th consecutive year with an increase.

Second, I think the company's strong financial performance, including its 11.3% year-over-year increase in net earnings to an adjusted \$1.08 per share and its 10.3% year-over-year increase in operating cash flow to \$139.7 million in the first half of 2017, will allow its streak of annual dividend increases to easily continue into the 2020s.

Which of these dividend growers belongs in your portfolio?

I think Canadian Utilities and Transcontinental represent very attractive long-term investment opportunities for dividend-growth investors, so take a closer look at each and strongly consider making one of them a core holding today.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:CU (Canadian Utilities Limited)
2. TSX:TCL.A (Transcontinental Inc.)

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Author

jsolitro

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