



2 Excellent Dividend-Growth Stocks Yielding 4-5%

Description

Every portfolio should hold a few dividend-growth stocks, because dividend-growth investing is one of the most powerful and time-proven strategies to build wealth. With this in mind, let's take a look at two with yields of 4-5% that you could buy today.

Enbridge Inc.

Enbridge Inc. ([TSX:ENB](#))([NYSE:ENB](#)) is North America's largest owner and operator of energy infrastructure. Its portfolio includes the world's longest crude oil and liquids transportation system, Canada's largest natural gas distribution company, oil and natural gas storage facilities, and renewable power-generation facilities which are located across the United States and Canada.

Enbridge currently pays a quarterly dividend of \$0.61 per share, equal to \$2.44 per share annually, which gives it a 4.7% yield today.

Investors must also make the following two notes.

First, Enbridge has raised its annual dividend payment for 21 consecutive years, including a compound annual growth rate of about 11.2% from 1996 to 2016. Its recent hikes, including its 4.6% hike last month, have it positioned for 2017 to mark the 22nd consecutive year with an increase.

Second, Enbridge has a dividend-growth program in place that calls for annual growth of 10-12% through 2024, and I think its strong financial performance and strategic growth initiatives will allow it to easily complete this program.

North West Company Inc.

North West Company Inc. ([TSX:NWC](#)) is one of the leading retailers of food and other products and services to rural communities and urban neighbourhood markets in Canada, Alaska, the South Pacific, and the Caribbean. It operates more than 240 stores under the trading names Northern, NorthMart, Giant Tiger, Alaska Commercial Company, Cost-U-Less, and RiteWay Food Markets.

North West currently pays a quarterly dividend of \$0.32 per share, equal to \$1.28 per share annually, giving it a 4% yield at today's levels.

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

First, North West has raised its annual dividend payment for five consecutive years, and its 3.2% hike in March has it positioned for 2017 to mark the sixth consecutive year with an increase.

Second, I think the company's consistently strong financial performance, including its 8.6% year-over-year increase in sales to \$476.82 million and its 15.9% year-over-year increase in net earnings to an adjusted \$19.15 million in the first quarter of 2017, will allow its streak of annual dividend increases to continue in 2018 and beyond.

Which of these dividend dynamos belongs in your portfolio?

I think Enbridge and North West represent very attractive long-term investment opportunities for dividend investors, so take a closer look at each and consider adding one or both of them to your portfolio today.

CATEGORY

1. Dividend Stocks
2. Investing

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2. TSX:ENB (Enbridge Inc.)
3. TSX:NWC (The North West Company Inc.)

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