

3 Dividend Greats for Your Portfolio

Description

Investors looking for great income-producing investments often have a hard time finding investments that balance a healthy yield now with sustainable growth that will continue providing dividends for years to come.

Here are a few companies that offer impressive, yet sustainable yields that will continue to be paid for years.

BCE Inc.

BCE Inc. ([TSX:BCE](#))([NYSE:BCE](#)) is the largest telecom in the country and a media heavyweight that owns several radio and TV stations. The BCE empire even extends into professional sports; BCE owns a share in several professional sports teams.

BCE's core subscription services provide the bulk of revenue for the company, and those services draw on a built-out network of infrastructure that provides coverage coast to coast that few competitors can match and a sizeable defensive moat. That infrastructure and moat allow the company to provide a higher dividend payout to investors.

BCE offers a quarterly payout of \$0.72 per share which, at the current stock price, results in a very impressive 4.93% yield. As impressive as this sounds, the dividend is sustainable and has grown over the years to not only stay competitive, but remain one of the best long-term buy-and-forget income stocks on the market. BCE also has a formidable history with rewarding shareholders; the company has been paying dividends for over a century.

BCE currently trades at just over \$58 and has a P/E of 17.72

Fortis Inc.

Fortis Inc. ([TSX:FTS](#))([NYSE:FTS](#)) is another great investment for your portfolio. Fortis is one of the largest energy producers in North America with facilities in nearly a dozen U.S. states, a handful of provinces, and in several Caribbean countries.

Most of Fortis's revenue comes from regulated sources that are set up in a power-purchase agreement that can span upwards of two decades, which allows for a steady and predictable revenue stream.

While most utilities would be content enough with a steady revenue stream, Fortis has pursued an aggressive growth strategy through acquisitions that has resulted in the company becoming one of the largest utilities on the continent. The most recent major acquisition of ITC Holdings allowed Fortis to branch out into several new U.S state markets and provided Fortis with a strong foothold into the complementary power transmission sector.

Fortis offers a quarterly dividend that provides a 3.62% yield. Impressively, Fortis has established a

record of increasing that dividend annually which spans over four decades. That's an incredible feat that few companies on the market today can match, and that growth is set to continue at a pace of 6% annually over the next few years.

Fortis currently trades just over \$44 with a P/E of 21.77.

Bank of Montreal

Bank of Montreal ([TSX:BMO](#))([NYSE:BMO](#)) is the oldest of Canada's big banks and happens to be celebrating a bicentennial this year. From a dividend standpoint, Bank of Montreal was also one of the first companies in the country to begin paying a dividend; the bank has been paying a dividend for over 150 years. The current quarterly dividend pays \$0.90 per share, which, at the current stock price, results in a respectable 3.72% yield.

The most recent hike to the dividend represented the sixth consecutive annual increase.

While that yield and dividend history may be enough for some investors to consider an investment in Bank of Montreal, the company has also seen significant growth over the past few years. Over the course of the past two years, Bank of Montreal is up nearly 30%, and this figure increases to nearly 70% when looking at the performance over the past five years.

Despite this level of growth, the bank still trades at a respectable P/E of just 12.17, making it a great addition to any portfolio to hold for the long term.

CATEGORY

1. Dividend Stocks
2. Investing

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Date

2025/07/28

Date Created

2017/07/21

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