



3 Dividend Stocks I'd Buy Right Now

Description

Dividend stocks are the foundation of great portfolios, because as history has shown, they far outperform their non-dividend-paying counterparts over the long term. With this in mind, let's take a closer look at three that you could buy right now and hold for decades.

Pattern Energy Group Inc.

Pattern Energy Group Inc. (TSX:PEG)(NASDAQ:PEGI) is one of the world's largest independent producers of wind power with 20 facilities, including one it has agreed to acquire, located across the United States, Canada, and Chile.

Pattern Energy pays a quarterly dividend of US\$0.42 per share, equal to US\$1.68 per share annually, which gives its stock a 6.9% yield at the time of this writing.

Investors must also make two important notes.

First, Pattern Energy has raised its quarterly dividend for 14 consecutive quarters and its annual dividend payment for three consecutive years, and its recent hikes, including its 0.5% hike earlier this month, have it on track for 2017 to mark the fourth consecutive year with an increase.

Second, it has a dividend-payout target of 80% of its cash available for distribution (CAFD), so I think its consistently strong growth, including its 23.3% year-over-year increase to US\$94.39 million in the first half of 2017 and its projected 5-24% year-over-year increase to US\$140 million-US\$165 million in the full year of 2017, will allow its streak of quarterly and annual dividend increases to continue into the 2020s.

CI Financial Corp.

CI Financial Corp. ([TSX:CIX](#)) is one of Canada's leading wealth management and investment fund companies with approximately \$161.38 billion in assets under management and advisement as of June 30.

CI Financial pays a monthly dividend of \$0.1175 per share, equal to \$1.41 per share annually, which gives it a yield of about 5.2% at the time of this writing.

It's important to make the following two notes.

First, the company has raised its annual dividend payment for seven straight years, and its 2.2% hike in May has it positioned for 2017 to mark the eighth straight year with an increase.

Second, I think its very strong financial performance, including its 12.9% year-over-year increase in adjusted earnings per share to \$1.05 and its 6% year-over-year increase in free cash flow to \$308.7 million in the first half of 2017, will allow its streak of annual dividend increases to continue for many years to come.

Brookfield Infrastructure Partners L.P.

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

Brookfield pays a quarterly distribution of US\$0.435 per unit, equal to US\$1.74 per unit annually, giving its stock a yield of about 3.9% at the time of this writing.

Investors must also make two notes.

First, it has raised its annual dividend payment for seven consecutive years, and its recent hikes, including its 10.6% hike in February, have it positioned for 2017 to mark the eighth consecutive year with an increase.

Second, Brookfield has a long-term distribution-growth target of 5-9% annually, and I think its very strong growth of funds from operations (FFO), including its 13.8% year-over-year increase to \$2.72 per unit in 2016 and its 11.9% year-over-year increase to \$1.51 per unit in the first half of 2017, will allow it to achieve this growth target for the next decade.

Which of these top dividend stocks belongs in your portfolio?

I think Pattern Energy, CI Financial, and Brookfield Infrastructure Partners are three of the best dividend stocks in their respective industries, so take a closer look at each and consider making at least one of them a core holding today.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)

3. TSX:CIX (CI Financial)

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