3 Great Dividend-Growth Stocks to Buy in October

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 three that you could buy today and hold for decades.

Enbridge Income Fund Holdings Inc. (TSX:ENF) indirectly owns high-quality, low-risk energy infrastructure assets, including oil and natural gas pipelines, oil storage facilities, and green-power-generation facilities, which are located across North America.

ENF currently pays a monthly dividend of $0.1711 per share, equating to $2.0532 per share annually, and this gives it a yield of about 6.4% at the time of this writing. Investors must also note that the company's 10% dividend hike in January has it on track for 2017 to mark the seventh consecutive year in which it has raised its annual dividend payment, and it has a program in place that calls for annual dividend growth of approximately 10% through 2019.

Exco Technologies Limited (TSX:XTC) is one of the leading suppliers of dies, moulds, equipment, components, and assemblies for the world's die-cast, extrusion, and automotive industries.

Exco currently pays a quarterly dividend of $0.08 per share, equating to $0.32 per share on an annualized basis, giving it a yield of about 3.25% at the time of this writing. It's important to note that the company's 14.3% dividend hike in February has it on track for fiscal 2017 to mark the eighth consecutive year in which it has raised its annual dividend payment, and I think its very strong financial performance, including its 7.6% year-over-year increase in adjusted net income to $0.85 per share in the first nine months of fiscal 2017, will allow this streak to continue in fiscal 2018 and beyond.

Canadian Imperial Bank of Commerce (TSX:CM)(NYSE:CM) is Canada's fifth-largest bank by assets with approximately $560.91 billion in total. It provides a full range of financial products and services to 11 million clients in Canada, the United States, and around the globe.

CIBC currently pays a quarterly dividend of $1.30 per share, equating to $5.20 per share annually, and this gives it a yield of about 4.7% at the time of this writing. Investors must note that the bank's recent dividend hikes, including its 2.4% hike in February and its 2.4% hike in August, have it on track for 2017 to mark the seventh consecutive year in which it has raised its annual dividend payment. It also has a dividend-payout target of approximately 50% of its adjusted net income, so I think its consistently strong growth, including its 11.1% year-over-year increase to $3.4 billion in the first nine months of 2017, will allow this streak to continue for decades.

Is now the time to buy?

I think Enbridge Income Fund, Exco Technologies, and CIBC represent fantastic long-term investment opportunities, so take a closer look at each and consider initiating a position in at least one of them today.

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2. TSX:CM (Canadian Imperial Bank of Commerce)
3. TSX:XTC (Exco Technologies Limited)

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