

These 2 Stocks Just Raised Their Dividends

Description

Earnings season is heating up. Not only is it a great time to see the most up-to-date financials of the world's largest companies, but it's also the most popular time for companies to raise their dividends. Let's take a closer look at two companies that just raised their dividends by 4-20%, so you can determine if you should invest in one of them today.

Altagas Ltd.

Altagas Ltd. ([TSX:ALA](#)) is a North American energy infrastructure company. It owns and operates a mix of gas, power, and utilities assets in Canada and the United States, including natural gas pipelines, processing plants, and storage facilities, wind, hydro, biomass, and gas-fired power-generation facilities, and regulated utilities that deliver natural gas.

In its [third-quarter earnings](#) release on October 19, Altagas announced a 4.3% increase to its monthly dividend to \$0.1825 per share, equating to \$2.19 per share on an annualized basis, which brings its yield up to about 7.6% at the time of this writing.

Foolish investors must also make the following three notes about Altagas's dividend.

First, the first payment at the increased rate will be made on December 15 to shareholders of record at the close of business on November 27.

Second, the company was already on track for 2017 to mark the seventh consecutive year in which it has raised its annual dividend payment, and the hike it just announced puts it on pace for 2018 to mark the eighth consecutive year with an increase.

Third, Altagas has a dividend-growth target of 8-10% annually through 2021, and I think its very strong operational performance will allow it achieve this target and announce an extension as 2021 nears.

Norbord Inc.

Norbord Inc. (TSX:OSB)(NYSE:OSB) is a leading global manufacturer of wood-based panels, and it's the world's largest producer of oriented strand board.

In its third-quarter earnings release on October 27, Norbord announced a 20% increase to its quarterly dividend to \$0.60 per share, equating to \$2.40 per share on an annualized basis, which brings its yield up to about 5.3% at the time of this writing.

It's important for investors to make the following three notes about Norbord's dividend.

First, the first payment at the increased rate is payable on December 21 to shareholders of record on December 1.

Second, this is the third time Norbord has raised its quarterly dividend in 2017, putting it on pace for 2018 to mark the second consecutive year in which it has raised its annual dividend payment. These increases are a result of its variable dividend policy that was introduced on April 29, 2013.

Third, I think Norbord's very strong financial performance, including its 109.3% year-over-year increase in cash provided by operating activities per share to \$4.48 in the first nine months of 2017, will allow it to continue to grow its dividend in the years ahead.

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Date

2025/08/25

Date Created

2017/11/02

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