

2 Stocks That Raised Their Dividends on November 8

Description

Sun Life Financial Inc. ([TSX:SLF](#))([NYSE:SLF](#)) and **Boyd Group Income Fund** (TSX:BYD.UN) gave their shareholders a raise on November 8 by increasing their dividends by 2-5%. Let's take a closer look at each dividend hike, so you can determine if you should invest in one of these companies today.

Sun Life Financial Inc.

Sun Life is one of the world's largest international financial services organizations. It provides a wide range of products and services, such as insurance, wealth, and asset management solutions to clients around the globe.

In its third-quarter earnings release on November 8, Sun Life announced a 4.6% increase to its quarterly dividend to \$0.455 per share, equating to \$1.82 per share annually, which brings its yield up to about 3.7% at the time of this writing.

Foolish investors should make the following three notes about Sun Life's new dividend.

First, the first quarterly installment at the increased rate will come on December 29 to shareholders of record at the close of business on November 29.

Second, the company was already on track for 2017 to mark the third consecutive year in which it has raised its annual dividend payment, and this hike puts it on track for 2018 to mark the fourth consecutive year with an increase.

Third, Sun Life has a target dividend-payout range of 40-50% of its underlying net income, so I think its consistently strong growth, including its 7.3% year-over-year increase to \$3.10 per share in the first nine months of 2017, will allow it to continue to deliver dividend growth to its shareholders for many years to come.

Boyd Group Income Fund

Boyd is a trust that was created for the purpose of acquiring and holding certain investments, including a majority interest in The Boyd Group Inc. and its subsidiaries, which is one of North America's largest operators of non-franchised collision repair centres with more than 475 locations across Canada and the United States.

In its third-quarter earnings release on November 8, Boyd announced a 2.3% increase to its distribution to \$0.044 per unit, equal to \$0.528 per share annually, which brings its yield up to about 0.6% at the time of this writing.

It's important to make the following three notes about Boyd's distribution.

First, the first payment at the increased rate will come in late December to shareholders of record at

the close of business on November 30.

Second, the company's 2.4% distribution hike in November 2016 put it on pace for 2017 to mark the 10th 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 11th consecutive year with an increase.

Third, I think Boyd's consistently strong financial performance, including its 26.6% year-over-year increase in adjusted distributable cash per average unit to \$2.899 in the first nine months of 2017, and its wildly improved payout ratio, including 13.3% of its adjusted distributable cash in the first nine months of 2017 compared with 16.4% in the year-ago period, will allow its streak of annual distribution increases to continue for the foreseeable future.

Which should you buy today?

Sun Life has risen more than 25% since I [first recommended it](#) in February 2015, and Boyd has risen more than 25% since I [first recommended it](#) in June 2016, and both of these returns do not even factor in reinvested dividends. I think both stocks still represent fantastic long-term investment opportunities, so take a closer look and consider initiating a position in one of them today.

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2. Investing

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