



TFSA Investors: 4 Dividend Stocks That Could Be About to Raise Their Payouts

Description

Dividend-growth stocks are great additions to any portfolio, particularly in a TFSA account, where dividend income can be accumulated tax-free. When a dividend rises, you are effectively benefiting from a higher yield, since you haven't put a larger investment into the stock, but you are getting higher payouts, which translates into a higher overall yield.

Below are four stocks that could raise their dividends very soon:

Toronto-Dominion Bank ([TSX:TD](#))([NYSE:TD](#)) last increased its dividend nearly a year ago, as its declaration in March represented a 9% hike and raised quarterly payments from \$0.55 to \$0.60. We've seen a similar pattern in years prior, and with earnings coming up at the start of March, it's likely we'll see an increase announced around that time as well.

With interest rates on the way up, and the economy doing well, it would be a surprise if the dividend weren't raised, as the outlook for the bank should remain optimistic. In Q4, TD [missed expectations](#), although growth remained strong.

BCE Inc. ([TSX:BCE](#))([NYSE:BCE](#)) is releasing its Q4 earnings in early February, and it too could raise its payouts at that time. The company has typically increased its dividend in the first declaration of the year. Last year, quarterly payments of \$0.7175 increased more than 5% from the \$0.6825 that BCE was paying previously.

[BCE is not a stock I would hold for the long term](#), but if you're looking to secure a strong dividend, then it could be a good buy. In the past month, the share price has dropped 4%, which has pushed its yield up to ~5%. Generally, there has been support at ~\$58 for the stock, so it's likely there could be a recovery in the share price, especially if the company has a good earnings to wrap up the year.

Suncor Energy Inc. ([TSX:SU](#))([NYSE:SU](#)) is another company that is releasing Q4 earnings in early February. It has been nearly a year since the company announced a hike in its payouts when it raised its quarterly payments from \$0.29 to \$0.32 early last year for an increase of more than 10%.

While Suncor has not had the same consistency in raising its payouts the way TD and BCE have, with

oil prices on the rise, it's likely that the company will have a good quarter, which could justify an increase. In the past six months, Suncor's share price has soared 21%, as rising oil prices have fueled momentum in many oil and gas stocks.

Brookfield Infrastructure Partners L.P. ([TSX:BIP.UN](#))([NYSE:BIP](#)) last increased its dividend back in February 2017, and it too is on track to do so again. Like BCE, it has typically raised its payouts at the start of a new year, and it also has earnings come up in the next few weeks.

Currently, Brookfield pays a modest 3.3%, and in the past year the share price has risen 14%. The company pays out its dividend in U.S. dollars, so for Canadian investors, that will provide some variability, and depending on your outlook for the U.S., that can be good or bad.

However, over the long term, Brookfield is a great addition to your portfolio for both the dividend income as well as the capital appreciation.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Energy Stocks
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TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
3. NYSE:SU (Suncor Energy Inc.)
4. NYSE:TD (The Toronto-Dominion Bank)
5. TSX:BCE (BCE Inc.)
6. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
7. TSX:SU (Suncor Energy Inc.)
8. TSX:TD (The Toronto-Dominion Bank)

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