

## These 2 Industry Giants Just Hiked Their Dividends by 11-22%

### Description

This earnings season has been highly active in terms of companies raising their dividends, and two companies just kicked off March by announcing increases of 11-22%. Let's take a closer look at each company and their new dividends, so you can determine if you should invest in one of them stocks today.

#### **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#))

TD Bank is the second-largest bank in Canada as measured by assets with approximately \$1.26 trillion in total as of January 31. It provides a wide range of financial products and services to more than 25 million clients in Canada, the United States, and around the globe.

In its fiscal 2018 first-quarter earnings release [on March 1](#), TD Bank announced an 11.7% increase to its quarterly dividend to \$0.67 per share, equating to \$2.68 per share on an annualized basis, which brings its yield up to about 3.6% today.

Foolish investors must make three additional notes about the new dividend.

First, the first quarterly payment at the increased rate is payable on and after April 30 to shareholders of record on April 10.

Second, the banking giant was already on pace for fiscal 2018 to mark the eighth consecutive year in which it has raised its annual dividend payment, and this hike puts it on pace for fiscal 2019 to mark the ninth consecutive year with an increase.

Third, TD Bank has a target dividend-payout range of 40-50% of its adjusted net income, so I think its consistently strong growth, including its 17.3% year-over-year increase to \$1.56 per share in the first quarter of 2018, will allow its streak of annual dividend increases to easily continue into the 2020s.

#### **Canadian Natural Resources Limited** ([TSX:CNQ](#))([NYSE:CNQ](#))

Canadian Natural is one of the world's largest oil and natural gas producers. It has operations in western Canada, the U.K. portion of the North Sea, and Offshore Africa.

In its fiscal 2017 fourth-quarter and full-year earnings release [on March 1](#), Canadian Natural announced a 21.8% increase to its quarterly dividend to \$0.335 per share, equating to \$1.34 per share on an annualized basis, which brings its yield up to about 3.4% today.

It's important to make three additional notes about the new dividend.

First, the first quarterly payment at the increased rate will be made on April 1 to shareholders of record on March 16.

Second, this dividend hike puts the oil and gas giant on track for 2018 to mark the 18th consecutive year in which it has raised its annual dividend payment.

Third, I think Canadian Natural's very strong financial performance, including its 59.6% year-over-year increase in funds flow from operations to \$6.21 per share in 2017, will allow it to continue to deliver dividend growth to its shareholders in 2019 and beyond.

## CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

1. NYSE:CNQ (Canadian Natural Resources)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:CNQ (Canadian Natural Resources Limited)
4. TSX:TD (The Toronto-Dominion Bank)

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