



These 2 Dividend Aristocrats Raised Their Payouts Last Week

Description

Two dividend aristocrats — **Transcontinental Inc.** ([TSX:TCL.A](#)) and **Parkland Fuel Corp.** ([TSX:PKI](#)) — gave their shareholders raises of 1-5% last week. 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 today.

Transcontinental Inc.

Transcontinental is Canada's largest printer, and it's a key supplier of flexible packing in Canada and the United States.

In its fiscal 2018 first-quarter earnings release on March 1, Transcontinental announced a 5% increase to its quarterly dividend to \$0.21 per share, equating to \$0.84 per share on an annualized basis, which brings its yield up to about 3.1% at the time of this writing.

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

First, the first quarterly payment at the increased rate is payable on April 11 to shareholders of record at the close of business on March 26.

Second, the company was already positioned for fiscal 2018 to mark the 17th straight year in which it has raised its annual dividend payment, and this increase puts it on pace for fiscal 2019 to mark the 18th consecutive year with an increase.

Third, I think the company's strong generation of operating cash flow, including its 18.6% year-over-year increase to \$324.1 million in 2017 and its 11.1% year-over-year increase to \$90 million in the first quarter of 2018, will allow it to continue to grow its dividend at a steady rate in fiscal 2020 and beyond.

Parkland Fuel Corp.

[Parkland](#) is Canada's largest and one of North America's fastest-growing independent marketers of fuel and petroleum products, including gasoline, diesel, propane, and heating oil. It's also Canada's largest retailer of fuel by site count with 1,848 sites as of December 11, 2017.

In its fiscal 2017 fourth-quarter and full-year earnings release on March 2, Parkland announced a 1.7% increase to its monthly dividend to \$0.09783 per share, equating to \$1.174 per share on an annualized basis, which brings its yield up to about 3.9% at the time of this writing.

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

First, the first monthly installment at the increased rate is payable on April 13 to shareholders of record at the close of business on March 22.

Second, the company was already on track for 2018 to mark the [sixth straight year](#) in which it has raised its annual dividend payment, and this hike puts it on track for 2019 to mark the seventh straight year with an increase.

Third, I think Parkland's very strong financial performance, including its 25% year-over-year increase in adjusted distributable cash flow to \$2 per share in 2017, will allow it to continue to deliver dividend growth to its shareholders for many years to come.

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2. TSX:TCL.A (Transcontinental Inc.)

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Date

2025/07/02

Date Created

2018/03/06

Author

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