# 3 Dividend Aristocrats That Can Help You Outperform the TSX

## Description

One of the most successful ways to build wealth and beat the market over the long term is to buy and hold stocks with track records of dividend growth; this is because a rising dividend is a sign of a very strong business with excellent cash flows and earnings to support increased payouts, and the dividends themselves really add up over time when reinvested. With this in mind, let's take a look at three top dividend-growth stocks from different industries that you could buy right now.

**National Bank of Canada** (TSX:NA)

National Bank is the sixth-largest bank in Canada and the leading bank in Quebec. As of January 31, it has approximately $251.07 billion in assets.

National Bank currently pays a quarterly dividend of $0.60 per share, equating to $2.40 per share annually, which gives it a yield of about 3.8% at the time of this writing. It has raised its annual dividend payment for seven consecutive years, and its 3.4% hike in December has it on track for fiscal 2018 to mark the eighth consecutive year with an increase.

default watermark

Foolish investors must also note that the banking giant has a target dividend-payout range of 40-50% of its adjusted net earnings, so I think its strong growth, including its 9.6% year-over-year increase to $1.48 per share in the first quarter of fiscal 2018, will allow it to continue to grow its dividend at a steady rate for many years to come.

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

Transcontinental is the largest printer in Canada, and it's a leading supplier of flexible packing and a leader in the specialty media segment in North America.

Transcontinental currently pays a quarterly dividend of $0.21 per share, representing $0.84 per share annually, which gives it a yield of about 3.1% at the time of this writing. It has raised its annual dividend payment for 16 consecutive years, and its recent hikes have it positioned for fiscal 2018 to mark the 17th consecutive year with an increase.

I think Transcontinental's very strong cash flow-generating ability, including its 11.1% year-over-year increase to $90.0 million in the first quarter of 2018, and its solid financial position, which was bolstered by its sale of 34 local and regional newspapers in the first quarter of 2018, will allow it to continue to deliver dividend growth to its shareholders going forward.

**Fortis Inc.** (TSX:FTS)(NYSE:FTS)

Fortis is the largest investor-owned utility company in Canada, and it's one of the 15 largest investor-owned utilities in North America. It provides regulated electric and gas utilities services to customers in five Canadian provinces, nine U.S. states, and three Caribbean countries.

Fortis currently pays a quarterly dividend of $0.425 per share, representing $1.70 per share annually, which gives it a yield of about 4% at the time of this writing. It has raised its annual dividend payment for 44 straight years, giving it the second-longest active streak for a public entity in Canada, and its 6.25% hike in October 2017 has it on track for 2018 to mark the 45th straight year with an increase.

It's also important to note that the dividend-growth superstar plans to grow its dividend by approximately 6% annually through 2022, and I think its consistently strong growth of operating cash flow, including its 46.3% year-over-year increase to $2.76 billion in 2017, will allow it to extend this target into the late 2020s or early 2030s.

**CATEGORY**

1. Dividend Stocks
2. Investing

**TICKERS GLOBAL**

1. NYSE:FTS (Fortis Inc.)
2. TSX:FTS (Fortis Inc.)
3. TSX:NA (National Bank of Canada)
4. TSX:TCL.A (Transcontinental Inc.)

default watermark

**PARTNER-FEEDS**

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

**Category**

1. Dividend Stocks
2. Investing

**Date**
2025/08/18
**Date Created**
2018/03/20
**Author**
jsolitro

default watermark