These Top 2 Income Plays Grew Their Dividends by 15%+ Annually Over the Past 10 Years

Description

What a company has done in the past may not reflect the exact direction a company chooses to take in the future. That said, it has been proven that past results are predictive of future results, and investors ought to pay attention to companies that have impressive track records of performance in such areas as dividend increases.

For all those long-term investors seeking income in retirement, the rate at which a specific company increases its dividend (annually, on average) is of key important over the long-term, due to the obvious benefits of compounding over long stretches of time.

In this article, I'm going to discuss three of my favorite dividend/income plays for such investors; these companies happen to have increased their dividend distributions by at least 15% per year for the past 10 years, and all indications are that these companies will continue to do so (perhaps not at this clip) in the decades to come.

Enbridge

Pipeline stocks in Canada appear to have burst (pun intended). Many investors who have bought in during the most recent rout have noticed that companies like **Enbridge Inc.** (TSX:ENB)(NYSE:ENB) continue to find new bottoms, spurred by discounts for heavy Western Canadian oil relative to oil traded on global indices and a flight of international investors away from Canada's oil patch.

In the case of Enbridge, one of the few Canadian pipeline companies that is fully expected to have new pipeline capacity coming on in the near-term via the firm's line 3 expansion, I expect to see relative strength compared to peers over time as near-term issues get sorted out. I have called Enbridge one of the safest dividends on the TSX in the past, and I believe this remains the case now more than ever, especially among companies with yields in excess of 6%.

Enbridge has increased its annual dividend distribution by an average of 15% per year since 2008.

Metro

For those looking for what I would consider to be a more speculative option (but one which has outperformed the previous two picks over the past 10 years), retailer **Metro, Inc.** (TSX:MRU) is the way to go. Metro has performed extremely well in Canada's grocery retail oligopoly, and has managed to increase cash flow enough to manage significant increases to its dividend in recent years. With Canada's grocery retail scene likely to remain heavily consolidated for the long-term, buying a company like Metro could be seen as a way to play long-term growth.

Metro has increased its annual dividend distribution by an average of 15.8% per year since 2008.

Stay Foolish, my friends.

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