



3 Dividend Aristocrats That Are Yielding Investors at Least 5% or More

Description

There are several advantages of investing in the shares of companies that qualify as dividend aristocrats.

Among them is that dividend aristocrats offer investors a demonstrable track record of sustainable, successive dividend increases over a multi-year period, they tend to signal strong prospects for long-term earnings growth.

Not only does a forecast for strong earnings growth in future periods suggest the likelihood of a successive string of dividend increases, but as investors bid up the price of that growing stream of dividend income, investors may expect an increased chance of long-term capital gains for their portfolios as well.

In this post I'll single out three stocks that I think are particularly compelling, because not only do I believe these companies can – and will – continue to increase their dividend payouts over the very long term, but these three companies are also paying dividend yields of more than 5% annually.

This means that not only are prospective investors getting the benefit of anticipated future growth prospects but they are also getting the benefit of significant dividend income from these three stocks today, which can be used to reinvest in their personal or TFSA investment accounts, allowing them to take advantage of the magic power of compounded interest.

Enbridge Inc ([TSX:ENB](#))([NYSE:ENB](#)) stock was yielding the company's shareholders 5.87% annually heading into the start of this week's trading.

In terms of a track record for increasing its dividend, you'd be hard-pressed to find a company with a more reliable history than Canada's largest energy infrastructure company.

Not only did Enbridge's board of directors raise the firm's dividend by just shy of 10% for 2019, but the company is also planning to increase its payout by 10% through 2020.

With a track record of 24 consecutive years of dividend increases Enbridge should be at the top of any

Canadian dividend aristocrats list.

BCE Inc. ([TSX:BCE](#))([NYSE:BCE](#)), meanwhile, has also been around for what seems like ages as one of North America's pre-eminent providers of telephony or landline telephone services.

But as we all know, the world is changing every day and this may be perhaps be no less true of telecommunications today than anywhere else in the world.

While traditional landline telephony for all intents and purposes appears headed toward the same fate as the dinosaur and the dodo bird, BCE has done a good job of keeping up with the pace of technological innovation, which has included an expanded presence into markets like broadband internet, wireless communication and most recently, [5G technology](#).

Thanks in large part to foresight on the part of BCE's leadership team, the company been able to continue to increase its returns to shareholders over the year despite operating amid an industry undergoing rapid technological change.

In February, BCE announced a 5% or \$0.15 increase to its dividend, which is now yielding investors 5.27% annually.

And of course, we all know how important Canada's banking sector is to the strength of the country's economy.

In this regard, **Canadian Imperial Bank of Commerce** ([TSX:CM](#))([NYSE:CM](#)) may not be the largest of Canada's leading financial institutions, but it also holds the record of not missing a single regular dividend payment going all the way back to 1868, the second year that Canada was officially recognized as a sovereign nation.

CIBC's determination to maintain a competitive dividend policy over the years has certainly helped it to stay popular among investors.

Meanwhile CIBC can also lay claim to offering the highest yield of any of Canada's Big Five financial institutions right now, following a 2.9% hike announced in February.

However, those looking for something a little more off the beaten path may also want to learn about these ["3 Stocks From Canada's Financial Sector With Even Better Dividends than Canadian Imperial Bank of Commerce."](#)

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2. NYSE:CM (Canadian Imperial Bank of Commerce)
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