



Alert: This Millionaire-Maker Stock Just Doubled its Dividend!

Description

Quebec-based communications kingpin **Quebecor** ([TSX:QBR.B](#)) more than doubled its quarterly dividend to \$0.1125 per share following the reveal of its first-quarter results that saw \$1.03 billion in revenues and an adjusted EPS of \$0.44, which was essentially in line with what the Street was expecting. EBITDA growth was rather muted for the quarter, but impressive wireless subscriber additions were encouraging.

While Quebecor was never a stock that'd entice income-oriented investors to begin with, as shares have usually sported a yield south of the 1% mark, the doubling of the dividend should have long-term dividend-growth investors on alert. The cash cow of a company has been on a heck of a run in recent years, and it's not about to slowdown as we move into the next generation of telecom tech.

This isn't the first time Quebecor has [hiked its dividend by around 100%](#), and it's probably not the last time either. Management had set its dividend target at 30-50% of overall annual free cash flows a while back, so as free cash flows continue surging, investors should expect more generous dividend hikes to go with substantial capital gains over the coming years.

Both Quebecor's stock and its free cash flows have been roaring in recent years, and with one of the most conservative payout ratios out there, the latest 100% dividend hike shouldn't have come as a surprise to those who've had a glance at the company's financials.

Over the last five years, Quebecor stock has soared 152% and with minimal amounts of volatility. With plenty of growth left in the tank, a growing cash flow stream that can be used to finance ambitious expansion opportunities or acquisitions as they come to be, and a nice moat built around the company's home province of Quebec, it's about time than non-Quebec-based investors had their attention focused on the low-risk, high-growth name.

The boring business has [monopoly-like characteristics](#) as I've described in the past, and with stable, growing cash flows, I think it's just going to be a matter of time before the company gets the respect it deserves from both domestic and international investors.

How many more 100% dividend hikes will it take before dividend-growth investors from around the

globe start licking their chops to the name?

Quebecor looks like one of the best-positioned telecoms to profit from over the next decade, but the valuation appears a bit stretched at the time of writing with its 20 trailing P/E and 1.9 P/S. Moreover, the recent Q1 2019 results themselves were nothing to write home about, so I'd encourage investors to just keep Quebecor on their radars for now in case the stock runs out of steam and pulls back by a few bucks to around \$30.

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