



Do You Like Dividends? Then These Stocks Should Be at the Top of Your List

Description

The best place to begin your search for income is to research the list of Canadian Dividend Aristocrats. These are stocks that have raised dividends for at least five consecutive years. As of writing, there are approximately 100 companies that have achieved this status.

This is a relatively small percentage when compared against the number of companies listed on the TSX and TSX Venture exchanges. As such, when a company reaches Aristocrat status, they instantly gain credibility in the eyes of investors. Furthermore, this group of dividend stocks is tracked by several exchange-traded funds (ETFs) and mutual funds. This has the net effect of enhancing the company's profile and increasing liquidity — both of which are positive for investors.

From there, there are numerous factors to consider, such as the length of the dividend-growth streak, the dividend-growth rate, current yield, and safety of the dividend. With that in mind, here are some of the top dividend stocks in the country.

The first Dividend King

South of the border, there are several tiers of dividend-growth companies, and the list of those who have raised dividends for more than five years is nine times that of the TSX. The most prestigious title, however, is that of Dividend King. Dividend Kings are companies that have raised dividends for at least 50 consecutive years. In Canada, no company has yet to achieve this status.

However, **Canadian Utilities** ([TSX:CU](#)) holds Canada's longest dividend-growth streak at 48 years and counting. The utility has reliably raised dividends in the high single digits over the past 10 years. It has a reasonable payout ratio, and as such, there is no doubt that Canadian Utilities will become Canada's first Dividend King. It is arguably Canada's best dividend-growth stock.

A top-yielding stock

If chasing yield is your preference, then consider **Brookfield Property Partners** ([TSX:BPY.UN](#))

)(NASDAQ:BPY). True, there are more than a dozen Aristocrats with a higher yield than Brookfield; however, all have very high payout ratios. Thus, their dividends could be considered at risk. This is not the case for Brookfield.

The company has a reasonable 57.29% payout ratio and is a part of the [Brookfield family of companies](#), which is one of the most reliable names in the dividend community. The company has averaged modest dividend growth in the mid-single digits and has a six-year dividend-growth streak.

A top growing dividend

Canadian Tire ([TSX:CTC.A](#)) is one of the [most balanced stocks](#) on the Aristocrat list. It has a modest eight-year dividend-growth streak and a 2.95% yield, which is well covered as it has payout in the low 30s. To top it all off, Canadian Tire has been increasing its dividend at a torrid pace. Over the past three and five years, the retailer has averaged 20% annual dividend growth.

This is one of the highest and most consistent dividend-growth rates in Canada. Over the next five years, Canadian Tire is expected to grow earnings by an average of 10% annually. As such, investors can expect reliable double-digit dividend growth well into the future.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:BPY.UN (Brookfield Property Partners)
2. TSX:CTC.A (Canadian Tire Corporation, Limited)
3. TSX:CU (Canadian Utilities Limited)

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