New Retirees: Jump-Start Your Dividend Dynasty With 3 Champs Yielding up to 5.3%

Description

Hi there, Fools. I'm back to highlight three top dividend-growth stocks. As a quick reminder, I do this because businesses with consistently increasing dividend payouts

- can defend against the painful effects of inflation by providing a growing income stream; and
- tend to outperform the market averages over the long haul.

The three stocks below offer an average dividend yield of 3.1%. Thus, if you spread them out evenly in an average $200K RRSP account, the group will provide you with a growing $6,200 annual income stream. And it's all completely passive.

Let's get to it.

Smart choice

Leading off our list is retail real estate company **SmartCentres REIT** (TSX:SRU.UN), which has delivered steady dividend growth of 15% over the past five years.

SmartCentres's dividend continues to be supported by a defensive grocery-anchored portfolio, strong occupancy ratios, and healthy cash flows. In the most recent quarter, adjusted cash flow from operations (ACFO) — a key real estate metric — improved to $83.9 million.

"Our core 34 million square foot retail portfolio continued its 98% occupancy and increased its ACFO with one time adjustments," said CEO Peter Forde. "We also strengthened our balance sheet by completing several significant debt and equity offerings that were well received by the capital markets."

SmartCentres shares are up 9% so far in 2019 and currently offer a juicy yield of 5.3%.

Bankable choice

With five-year dividend growth of 41%, financial services giant **Toronto-Dominion Bank** (TSX:TD)(NYSE:TD) is next on our list.

TD offers retirees a nice mix of decent growth and extremely reliable shareholder returns (in the form of both dividends and buybacks). In the most recent quarter, adjusted EPS grew 8% to $1.75 and adjusted ROE clocked in at a solid 17%.

Based on that fundamental strength, management recently announced plans to buy back up to 20 million of its common shares.

“We made strong progress in the quarter, adding new capabilities, strengthening our business, and advancing our strategic priorities as we continue to build the bank of the future,” said President and CEO Bharat Masrani.

TD shares are up 14 in 2019 and offer a healthy yield of 3.6%.

Golden bell

Rounding out our list is telecom giant **BCE** (TSX:BCE)(NYSE:BCE), whose dividend has grown 26% over the past five years.

The stock was hit recently on news related to BCE’s offering of unlimited wireless data, but now might be an opportune time to pounce. In the most recent quarter, earnings grew 11.6%, adjusted EBITDA improved 7%, and operating cash flow increased 1.3% to $1.5 billion.

The company also posted 50,000 in wireless postpaid net additions.

“The strength of Bell’s industry-leading broadband networks delivered leading customer additions in broadband Internet, TV and postpaid wireless, and higher customer satisfaction reflected in improved churn performance across our operating segments in Q1,” said CEO George Cope.

BCE shares are up 11% in 2019 and offer a yield of 5.2%.

The bottom line

There you have it, Fools: three attractive dividend-growth stocks worth checking out.

As always, they aren’t formal recommendations. They’re simply a starting point for more research. The breaking of a dividend-growth streak can be especially painful, so plenty of due diligence is still required.

Fool on.

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TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:BCE (BCE Inc.)
4. TSX:SRU.UN (SmartCentres Real Estate Investment Trust)
5. TSX:TD (The Toronto-Dominion Bank)

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