3 Dividend Aristocrats You Can Buy for Effortless Growth

Description

Investors seek Dividend Aristocrats for a dependable revenue stream. They can also be used to build your savings account steadily. The most highly coveted Dividend Aristocrats are those with high dividend yields. However, you might want to consider companies that may not have a glamorous dividend yield but do have significant growth potential.

Metro (TSX:MRU), **Empire Company** (TSX:EMP.A), and **Cogeco Communications** (TSX:CCA) are three such companies.

A growth-oriented supermarket

One of the oldest supermarket chains in the country, the company has a market cap of $14.16 billion. The company has 600 food stores and 650 drug stores throughout the country and is considered one of the leaders in food and pharmacy. Last year Metro acquired Jean Coutu Group, a leader in the Quebec pharmacy industry.

As a Dividend Aristocrat, Metro has increased its dividend payouts for six consecutive years. Currently, the company offers a modest yield of 1.44%. At the time of writing this, the company is trading at around $55 per share. This stock price represents a 31% growth in market value just this year. A five-year growth of 112% indicates an average growth of 22.4%.

The company is engaged in a stable, recession-resistant business. If it keeps up this level of growth, the capital gains will easily make up for the dividend yield.

A food conglomerate

Empire Company has a diversified portfolio of food retailing and investments. The company operates out of Nova Scotia and has a market cap of $ 9.47 billion. Empire owns 1,500 retail stores and 350 retail fuel stations all over the country. The company also has a 41.5% equity-accounted interest in Crombie REIT.

The company has a stellar history of increasing dividend payouts for 19 consecutive years. The dividend yield, as of now, is 1.37%. The current market value of Empire is $34.30 per share. The market value hit bottom at the end of 2017 but has since moved up and increased its market value by 118% in the last two years. It has grown by about 46% just this year.

The company's diversified portfolio, consistent income stream, and an astounding growth rate might make it a good inclusion in your investment portfolio.

An internet provider

With a market cap of $5.39 billion, Cogeco Communications is the eighth-largest cable operator in North America. The company's operation is divided into two main parts, Cogeco Connexion, which operates locally, and the U.S. operation of Atlantic Broadband.

The company has a dividend yield of 1.84% and has increased its dividends for 14 consecutive years. The company is trading at a weekly low of $109.5 per share. That's 70% growth just this year. The five-year growth of the company's market value is 73%.

The company has an established business and infrastructure to support it. If it keeps up with technological advances, it has the potential to go through a lot of further growth.

Foolish takeaway

All three growth stocks have the potential of easily doubling up your initial investment in fewer than five years, even if the growth rate reduces by half. This, along with consistent dividends, makes these companies worthy of consideration.

CATEGORY

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TICKERS GLOBAL

1. TSX:CCA (COGECO CABLE INC)
2. TSX:EMP.A (Empire Company Limited)
3. TSX:MRU (Metro Inc.)

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Date
2025/08/16
Date Created
2019/11/16
Author
adamothman