



3 Top TSX Dividend Stocks to Buy Now

Description

Hello, 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 guard against the harmful effects of inflation by providing a [rising income stream](#); and
- tend to outperform the market averages over the long haul.

The three stocks below offer an [average dividend yield](#) of about 4.6%. So, if you're looking to add a big chunk of growing income to your 2020 (that the CRA can't touch), this trio of stocks might be perfect for your TFSA.

Easy choice

Leading off our list is retail real estate company **Choice Properties REIT** ([TSX:CHP.UN](#)), which has steadily grown its dividend by 14% over the past five years.

Choice's reliable payout continues to be supported by a high-quality portfolio, steady cash flows, and a prudent M&A strategy. Over the past five years, in fact, Choice has grown its revenue and operating cash flow at a rate of 85% and 65%, respectively.

In the most recent quarter, adjusted funds from operations clocked in at \$152 million.

"We are pleased with both our financial and operational results for the third quarter," said CEO Rael Diamond. "Also of note, with the recent sale of a 30 property portfolio, we've further strengthened our balance sheet by reducing leverage, providing additional capacity to fund our significant development program."

Choice shares currently offer a juicy dividend yield of 5%.

Reading the tape

With dividend growth of 48% over the past five years, packaging company **Intertape Polymer** ([TSX:ITP](#)) is next on our list.

Intertape continues to leverage its solid international reach, consistent cash flows, and leadership position in the packaging space to deliver solid income growth for shareholders.

Over the past five years, Intertape's revenue, EPS, and operating cash flow has increased at a rate of 68%, 36%, and 88%, respectively.

"As our cash flow generation has improved in the seasonally stronger second half of the year we have aggressively paid down debt which remains a top priority through the end of the year," said CEO Greg Yull in the most recent earnings report.

Intertape currently offers a healthy dividend yield of 4.7%.

Electric situation

Rounding out our list is electricity giant **Emera** ([TSX:EMA](#)), which has increased its dividend payout by 57% over the past five years.

Emera's consistent dividend continues to be backed by robust cash flows, solid scale (\$32 billion in total assets), and decent geographic diversification (Canada, U.S., and the Caribbean).

Over the past five years, Emera's revenue, EPS, and operating cash flow have grown 127%, 18%, and 118%, respectively.

In the most recent quarter, adjusted earnings improved 4% despite unfavourable weather.

"Our earnings are in a periods of transition as we continue to reposition our portfolio, but I remain confident in our ability to deliver long-term earnings growth for our shareholders," said CEO Scott Balfour in a conference call with analysts.

Emera shares provide a solid dividend yield of 4.1%.

The bottom line

There you have it, Fools: three top dividend-growth stocks for 2020.

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.

CATEGORY

1. Dividend Stocks
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TICKERS GLOBAL

1. TSX:CHP.UN (Choice Properties Real Estate Investment Trust)
2. TSX:EMA (Emera Incorporated)
3. TSX:ITP (Intertape Polymer Group)

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bpacampara

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