

These 3 Canadian Dividend Kings Haven't Missed a Payout for 100+ Years

Description

Local dividend investors are lucky. They have a good selection of Canada's finest companies to choose from - stocks that haven't missed a dividend payment in decades. In fact, a small number of companies have paid uninterrupted dividends for a century or longer. Water

That's a pretty impressive track record.

There's just one problem. Instead of sticking with these excellent long-term dividend kings, investors get a little cute. They load up on lesser stocks, enticed by a succulent yield, deep value opportunity, or better growth potential. Sometimes these investments work out, but often they don't.

There's nothing wrong with that approach. After all, diversification is a good thing. But I still think the bedrock of the average Canadian investment portfolio should consist of these dividend kings, the kinds of companies you can count on no matter what.

This is doubly important in a COVID-19 world.

Let's take a closer look at three of Canada's top dividend kings, shares that have paid investors consistently for at least the past 100 years.

Bank of Montreal

We might as well start at the top. Bank of Montreal (TSX:BMO)(NYSE:BMO) has the longest dividend streak in Canada. It started paying a dividend back in 1829 and hasn't missed a payment since. That's a remarkable record.

BMO is hardly the largest bank in Canada. It's only the fourth-largest. But it's still a formidablecompany with a market cap exceeding \$45 billion. The company has retail, commercial, and capitalmarkets operations across both Canada and the United States. It's also a big wealth manager on bothsides of the border and is a major player in the exchange-traded fund market. In fact, BMO was thefirst major Canadian bank to expand into the United States.

Today is an excellent opportunity to pick up BMO shares on the cheap. Despite rallying significantly earlier in the week, this dividend king trades at just 8 times trailing earnings and slightly below book value. That's the cheapest shares have been since 2009. BMO also pays a succulent 6% dividend yield, which is about 50% higher than normal.

Imperial Oil

Imperial Oil (TSX:IMO)(NYSEMKT:IMO) has been a stalwart in the Canadian energy sector for more than a century with history dating back to John D. Rockefeller and Standard Oil. The company has paid consistent dividends for virtually its entire history, since the 1880s.

This dividend king has been undoubtedly hurt by the recent collapse in oil prices, but it easily has the balance sheet strength to survive. Its oil sands operations are among the best in the business, producing some 400,000 barrels of bitumen each day. Long-term reserves are also excellent, exceeding 6 billion barrels. And investors have to like the company's downstream operations, which include several refineries and an fleet of Esso gas stations. It also provides fuel for Mobil branded stations in Canada.

Imperial Oil hasn't just paid consistent dividends lately. It has increased its payout for 25 consecutive years. That's an excellent record. Combine that with the current 3.9% yield and it's an interesting opportunity.

BCE

BCE Inc. (TSX:BCE)(NYSE:BCE) was founded in 1880, just a few years after Alexander Graham Bell invented the telephone. It paid its first dividend to investors the next year and hasn't looked back since. That's a dividend streak of nearly 140 consecutive years for this dividend king.

BCE today looks stronger than ever. The company is the leading telecom provider in Canada, connecting more than 13 million customers to wireless data, cable television, internet, and home phone services. It has customers from coast to coast, too. It also owns a smattering of interesting media assets including top television stations, a collection of radio stations, video streaming service Crave, and pieces of several top sports franchises.

This dividend king also offers an excellent payout today. The current yield is 5.9%, a payout that is supported by earnings. BCE is a mature company today, meaning it can easily afford to pay out most of its cash flow back to investors.

The bottom line on these dividend kings

Don't try and reinvent the wheel. The smart move is to load up on dividend kings like Bank of Montreal, Imperial Oil, and BCE for your income needs. It's worked for the last century, and it sure looks good for the next century too.

CATEGORY

- 1. Dividend Stocks
- 2. Energy Stocks
- 3. Investing

TICKERS GLOBAL

- 1. NYSE:BCE (BCE Inc.)
- 2. NYSE:BMO (Bank of Montreal)
- 3. NYSEMKT:IMO (Imperial Oil Limited)
- 4. TSX:BCE (BCE Inc.)
- 5. TSX:BMO (Bank Of Montreal)
- 6. TSX:IMO (Imperial Oil Limited)

PARTNER-FEEDS

- 1. Business Insider
- 2. Msn
- 3. Newscred
- 4. Sharewise
- 5. Yahoo CA

Category

- 1. Dividend Stocks
- 2. Energy Stocks
- 3. Investing

Date

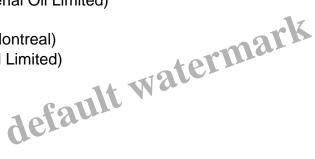
2025/08/15

Date Created

2020/05/29

Author

nelsonpsmith



default watermark