

Got \$9,000 to Invest? Buy These 3 "Forever Income" Stocks Before They Bounce Back

## **Description**

Hello there, Fools. I'm back to highlight three attractive dividend growth stocks. As a quick reminder, I do this because companies with consistently growing dividends can provide an <a href="ever-increasing income">ever-increasing income</a> stream; and tend to <a href="ever-increasing income">outperform over the long haul</a>.

So even if you have just \$9,000 you'd like to put to work, spreading it out among the three stocks below could give you a perpetually growing income machine.

Let's get to it.

# **Gassy feeling**

Leading off our list is natural gas midstream company **Enbridge** (<u>TSX:ENB</u>)(<u>NYSE:ENB</u>), which has grown its dividend 73% over the past five years.

After getting crushed in March, Enbridge's shares are still largely bruised, but now might be an opportune time to pounce on shares of the company. More specifically, Enbridge's stable cash flow generation, high-quality clientele (93% are investment grade), and diversified asset base should keep things stable long term.

In the most recent quarter, EPS of \$0.83 topped estimates by \$0.10 even as revenue declined 6.6% to \$12 billion. More importantly, Enbridge produced \$2.71 billion in distributable cash flow.

"[R]esiliency has always been a hallmark of how we manage our business; our strategically located assets, diversified cash flows, strong commercial underpinnings, and a strong balance sheet, allow us to withstand economic downturns and stay well-positioned for the future," said CEO Al Monaco.

Enbridge currently offers an especially juicy dividend yield of 8.0%.

## Video star

With whopping dividend growth of 796% over the past five years, Montreal-based telecom **Quebecor** ( TSX:QBR.B) is next on our list.

Quebecor shares have been relatively stable over the past few months, suggesting that it remains a solid way to play defense. Specifically, the company's massive telecom subsidiary Videotron should continue to thrive amid a recession.

In the most recent guarter, EPS came in at \$0.44 as revenue improved 3% to \$1.06 billion. More importantly, operating cash flow increased 6.8% to \$295 million.

"At a time when the world is facing an unprecedented situation because of the COVID 19 pandemic, Quebecor has adapted quickly and continues providing Quebecers with essential telecommunications and news media services," said CEO Pierre Karl Péladeau. "We have taken a series of steps to help our customers stay connected, while protecting the health and safety of our employees, customers and the public."

Quebecor currently offers a dividend yield of 2.8%.

# **Power play**

fault watermark With dividend growth of 38% over the past five years, electricity giant Fortis (TSX:FTS)(NYSE:FTS) rounds out our list this week.

Fortis shares have held up well in 2020, providing Fools with plenty of comfort. Long-term, the company's massive scale (\$53 billion in total assets), highly regulated operating environment, and stable cash flows should continue to support strong payout growth.

In the most recent quarter, EPS of \$0.68 topped expectations by \$0.16 as revenue slipped 2% to \$2.4 billion. Notably, the company's five-year capital plan of \$18.8 billion and dividend growth guidance both remain unchanged.

"Fortis continues to be well positioned to enhance shareholder value through the execution of its capital plan, the balance and strength of its diversified portfolio of utility businesses, and growth opportunities within and proximate to its service territories," wrote management.

Fortis currently offers a healthy dividend yield of 3.7%.

# 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 snapping of a dividend growth streak can be particularly painful, so plenty of due diligence is still

required.

Fool on.

#### **CATEGORY**

1. Dividend Stocks

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- 1. NYSE:ENB (Enbridge Inc.)
- 2. NYSE:FTS (Fortis Inc.)
- 3. TSX:ENB (Enbridge Inc.)
- 4. TSX:FTS (Fortis Inc.)
- 5. TSX:QBR.B (Quebecor Inc.)

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