Got an Extra $3,000? Buy These Hot "Forever Income" Stocks Before They Fly Away for Good

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 ever-increasing income stream; and
- tend to outperform over the long haul.

So, even if you have just $3,000 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.

Bank shot

Leading off our list is financial services giant **Canadian Imperial Bank of Commerce** (TSX:CM)(NYSE:CM), which has steadily grown its dividend by 34% over the past five years.

The stock has jumped nicely in recent weeks, suggesting that the worst might behind it. Specifically, CIBC's massive scale (total assets of more than $650 billion), rock-solid financial position, and a diversified revenue stream (personal banking, commercial banking, and wealth management) should continue to support long-term payout growth.

In the most recent quarter, the company's tier one capital ratio remained solid, despite the pandemic-related dip in earnings and revenue.

"Our capital position remains strong, giving us flexibility and resilience as we navigate the current environment and continue to advance our long-term client-focused strategy," said CEO Victor Dodig. "This will enable us to further diversify revenue streams, deepen client relationships and improve our efficiency as we continue to deliver value to our shareholders."

The stock currently offers a healthy dividend yield of 5.8%.

Ringing endorsement

With dividend growth of 27% over the past five years, telecom gorilla **BCE** (TSX:BCE)(NYSE:BCE) is next on our list.

The stock has held up very well over the past several months, suggesting that BCE remains one of the best ways to play defence. BCE's massive scale efficiencies, stable cash flows, and highly regulated operating environment should continue to give long-term investors peace of mind.

In the most recent quarter, EPS of $0.06 missed estimates but revenue of $5.35 billion topped expectations. More importantly, free cash flow jumped 50% to $1.61 billion while operating cash flow improved 22%.

"Bell's performance in Q2 underscored the scale and resiliency of our networks, the strength of our financial foundation, and the Bell team's success in keeping Canadians fully connected and informed throughout the COVID-19 crisis," said President and CEO Mirko Bibic.

BCE shares currently boast a dividend yield of 5.8%.

Key to success

Rounding out our list is midstream energy company **Keyera** (TSX:KEY), which has delivered impressive dividend growth of 40% over the past five years.

Keyera shares have jumped sharply in August, but there might be plenty of room to run. Specifically, the company's long-term trajectory is backed by well-integrated assets, smart acquisitions, and a strong financial position.

In the most recent quarter, EPS clocked in at $0.08 as revenue declined to $530 million. On the bullish side, Keyera maintained a conservative payout ratio of 51% while continuing to have minimal long-term debt maturities over the next five years.

"We believe our financial strength will allow us to maintain the stability and continuity of the business during this unprecedented economic time, while providing us with flexibility to be opportunistic," wrote the company.

Keyera shares currently offer a mouth-watering dividend yield of 7.9%.

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.

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2. NYSE:CM (Canadian Imperial Bank of Commerce)
3. TSX:BCE (BCE Inc.)
4. TSX:CM (Canadian Imperial Bank of Commerce)
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