



Got \$3,000 to Invest? These “Forever Income” Stocks Can Set You up for Life

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.

Electric shock

Leading off our list is electric and gas utility **Fortis** ([TSX:FTS](#))([NYSE:FTS](#)), which has grown its dividend for a whopping 47 consecutive years.

Fortis shares have remained remarkably resilient in 2020, proving that it remains one of the best ways to play defence. Specifically, the company continues to use its massive scale — over \$50 billion in assets serving over three million customers — to deliver market-topping results for shareholders.

In the most recent quarter, EPS of \$0.56 beat expectations by \$0.14, as revenue improved 5.6% to \$2.1 billion.

“Our family of utilities delivered reliable service to our customers during the quarter while remaining focused on the safety of our employees and communities during the pandemic,” said President and CEO Barry Perry. “We maintained operational and financial performance for the first half of 2020 as well as progressed key sustainability initiatives to deliver cleaner energy.”

Fortis shares currently offer a healthy dividend yield of 3.6%

Natural choice

With 25 straight years of dividend growth, natural gas midstream giant **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) is next on our list.

Enbridge shares are still down significantly in 2020, providing value hounds with a possible buying opportunity. Specifically, the company's cash-rich asset base, high-quality clientele (over 90% are investment grade), and strong management team continue to drive robust cash flows.

In the most recent quarter, EPS of \$0.56 and distributable cash flow of \$1.21 per share both easily topped expectations, even as revenue sank 40% to \$7.96 billion. Looking ahead, management reaffirmed its full-year distributable cash flow view of \$4.50-\$4.80 per share.

"In summary, the first half 2020 performance has been stronger than expected, highlighting the resiliency of our business and our ability to deliver solid results in difficult market conditions," said President and CEO Al Monaco.

Enbridge shares currently boast a particularly juicy dividend yield of 8.4%.

Power play

Rounding out our list is renewable energy provider **Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)), which has delivered 10 straight years of consistent dividend growth.

Algonquin shares remain essentially flat in 2020, which should give risk-averse investors some peace of mind. The company's long-term prospects continue to be backed by attractive assets, solid scale (70 power facilities across North America), and stable cash flows.

In the most recent quarter, revenue remained solid at \$343.6 million (flat over the prior year) and adjusted EBITDA clocked in at \$176.3 million.

"APUC's Regulated Services Group maintained safe reliable utility services to our customers amid the COVID-19 pandemic which reduced some volume related revenues in the quarter, while our Renewable Energy Group posted solid results unaffected by the pandemic," said CEO Arun Banskota.

Algonquin shares currently offer a solid dividend yield of 4.4%.

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

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TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. NYSE:ENB (Enbridge Inc.)
3. NYSE:FTS (Fortis Inc.)
4. TSX:AQN (Algonquin Power & Utilities Corp.)
5. TSX:ENB (Enbridge Inc.)
6. TSX:FTS (Fortis Inc.)

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