



## 2 Top Dividend Stocks That Have Doubled Their Dividends in the Past 10 Years!

### Description

Dividend growth matters.

In fact, I would argue a company's dividend-growth rate is more important than its current yield. For those with long-term investing time horizons, the goal isn't to pick up the highest yield today. In actuality, this can be a terrible idea. This is because the market can often price in dividend cuts before a company's management team considers such a move. Companies with sky-high yields are inherently risky. Those with reasonable yields that grow significantly over time are a much safer way for investors to meet their long-term income needs.

In this context, I've picked two Canadian companies that have more than doubled their dividend distributions over this past decade.

### TD Bank

One of my top picks among Canadian banks in the past, **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)), is a real dividend grower. TD's 10-year annualized dividend growth rate comes in just shy of 10% a year. That's extremely impressive for any company. For banks, even more so. In fact, TD has led the pack in terms of dividend increases this past decade. While OSFI may not allow dividend increases quite yet, I think once these are restarted for Canada's banks, TD has a lot of room to continue on its dividend-growth pace.

This is because TD has focused on improving the productivity of its assets in a way that has outpaced its peers. Specifically, TD's pace of technological improvements has improved the company's operating efficiency metrics greatly. In a recent article, I touched on how investments in [artificial intelligence](#) (AI) could make the long-term difference for this bank. Time will tell, but this company's growth profile is one I think justifies forward projections of market-beating dividend growth over the long term.

## Enbridge

An core energy infrastructure player in North America, **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) has also been one of my top picks for a long time. This pipeline player has all the makings of a dividend-growth gem. Long-life assets combined with sustainable, secure and growing cash flows has paved the way for historical outperformance in this regard. Enbridge's 10-year annualized dividend-growth rate for this past decade was approximately 14%.

That's an absolutely incredible annual dividend increase. I think the future may see dividend increases slow somewhat due to a current dividend yield, which sits higher than 7% at the time of writing. Enbridge has a relatively high payout ratio and will need to manage its capital spending budget, so we might not see a perpetual 14% increase in the future. That said, I expect this company to be a mid- to high-single digit dividend grower long term.

### CATEGORY

1. Bank Stocks
2. Dividend Stocks
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### POST TAG

1. dividend
2. dividend stock
3. energy
4. growth
5. investing
6. market

### TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:ENB (Enbridge Inc.)
4. TSX:TD (The Toronto-Dominion Bank)

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