



3 Top Dividend Stocks That Have More Than Doubled Their Payouts in 7 Years

Description

Amid the low-interest environment, dividend stocks have become an attractive means to earn stable passive income. Meanwhile, investors should consider multiple factors, such as dividend yield, dividend growth, cash flow stability, and track record, while investing in a dividend stock. Meanwhile, we will look at three companies that have more than doubled their dividend payouts over the last seven years, depicting the strength of their cash flows.

goeasy

goeasy ([TSX:GSY](#)), a non-prime lender, has delivered an impressive performance over the last 20 years, with its diluted EPS growing at an annualized rate of 24.9% during the period. These strong performances have helped the company raise its dividends by 676.5% in the last seven years at a CAGR of 34%. This year, the company had [increased its dividend by 47% to \\$2.64 per share](#), with its forward yield standing at 1.9%.

Although goeasy's forward dividend yield stands at a lower side, given its strong dividend growth and healthy growth prospects, I believe its dividend yield could improve in the coming years. The improvement in economic activities amid the ongoing vaccination drive could boost the demand for the company's services.

Further, its new product launches, geographical expansion, and acquisition of LendCare Holdings augur well with its growth prospects. The company had recently strengthened its balance sheet by raising over \$170 million. Given its healthy growth prospects, high dividend growth, and strong balance sheet, I [believe goeasy is an excellent buy for income-seeking investors](#).

Enbridge

Second on my list is **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)), a midstream energy infrastructure company that operates a highly regulated business generating around 98% of its adjusted EBITDA from its regulated assets or long-term contracts. These stable cash flows have allowed the company to

increase its dividends for the last 26 consecutive years. Meanwhile, the company's dividends have increased by 138.6% in the previous seven years to \$3.34 per share. Currently, the company's dividend yield stands at an impressive 7.2%.

Amid the reopening of the economy and economic expansion, oil demand could rise in the coming quarters, driving Enbridge's asset utilization rate. Further, the company is progressing with its \$16 billion secured growth projects, with around \$10 billion worth of projects expected to be put into service this year. These investments and recovery in oil demand could drive the company's financials and stock price. Meanwhile, its financial position also looks healthy, with its liquidity standing at \$13 billion at the end of last year.

Canadian National Railway

My final pick would be **Canadian National Railway** ([TSX:CNR](#))([NYSE:CNI](#)), a leading transportation and logistics company that transports around \$250 billion worth of goods annually. Given the essential nature of its business, the company generates stable cash flows, which has allowed the company to increase its dividends over the last 25 consecutive years.

Meanwhile, the company has raised its dividends by 146% to \$2.46 per share in the previous seven years. Its dividend yield currently stands at 1.8%, which is on the lower side. However, given its strong dividend growth and high growth prospects, the company could continue its dividend growth, driving the yield.

Amid the demand recovery and economic expansion, the demand for the company's services could rise in the coming quarters. Further, the company's management expects to spend around \$3 billion this year to improve and expand its railway infrastructure. Along with these investments, the improvement in efficiency could drive the company's financials. Further, Canadian National Railway is also working on acquiring **Kansas City Southern**, which could deliver EBITDA synergies close to \$1 billion annually.

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TICKERS GLOBAL

1. NYSE:CNI (Canadian National Railway Company)
2. NYSE:ENB (Enbridge Inc.)
3. TSX:CNR (Canadian National Railway Company)
4. TSX:ENB (Enbridge Inc.)
5. TSX:GSY (goeasy Ltd.)

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Date

2025/07/05

Date Created

2021/04/22

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