



## 3 of the Best Dividend Growth Stocks That Money Can Buy

### Description

Long-term investing has several advantages, which is why so many well-known investors like [Warren Buffett](#) recommend it as a [strategy](#). And while it's essential to have a diverse portfolio made up of many types of stocks, there's no question that dividend growth stocks are some of the best to buy.

The reason long-term investing is so great is that it significantly mitigates the short-term risk of investing in the stock market. It's extremely difficult to predict with consistency where a stock is going in the short term, such as in a week or a month. It is, however, much easier to predict where a business and the total value of its company is going over five or 10 years.

In addition, when an investor has a long-term mindset, it helps avoid [short-term speculating](#) on price changes. So if you're looking to expand your portfolio and buy some of the best stocks on the market today, here are three dividend growth stocks to own for years.

### A top Canadian retail stock

One of the best [retail stocks](#) in Canada that has been consistently expanding its operations for over a decade is **Dollarama** ([TSX:DOL](#)). Dollarama and the popularity of its stores have increased significantly in recent years.

The company has done a fantastic job at growing its store count and improving pricing and merchandising to continue to drive growth in its sales and profitability. Plus, lately, it's also been looking for growth outside of Canada, a prudent move that shows the company is always looking to the long term.

So although the stock pays a dividend that currently [yields](#) just 0.3%, it's retaining the majority of its capital to invest in growth. And over time, as Dollarama gets larger and its growth potential starts to shrink, you can expect the company to begin to pay more capital back to investors.

So if you're looking for a dividend growth stock that offers more growth potential and a smaller dividend payout, Dollarama is one of the best stocks to buy now.

## One of the best dividend growth stocks in the financial sector

If you're looking for a higher-growth stock but Dollarama's dividend yield was just a bit too low for you, another excellent company to consider is **goeasy** ([TSX:GSY](#)). goeasy is another incredible long-term [growth stock](#). Over just the last five years, the financial services company has essentially doubled its sales and grown its net income by over 680%.

It's done this by expanding its operations considerably while simultaneously improving its margins. In 2016, goeasy's [operating margin](#) was 16.7%. Meanwhile, over the last 12 months, its operating margin was north of 37%.

So with the stock offering a dividend yield of roughly 2%, it's certainly one of the best dividend growth stocks for Canadian investors to buy. That dividend has been increased by 266% since 2017, showing what incredible growth goeasy has achieved.

So if you're looking for one of the best dividend growth stocks to buy, goeasy's one of the first stocks to consider.

## A high-yield dividend growth stock

Lastly, if you're an investor looking for an even higher yield, yet a stock that's still consistently increasing its payout to investors, you may want to consider a stock like **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)).

Enbridge is a massive company with a [market cap](#) that's over \$100 billion. However, it still has plenty of long-term growth potential, especially considering its one of the most important companies to North America's economy.

Since it's a larger stock, naturally, the growth will be slower. However, it's still an incredibly reliable stock, and it currently offers an attractive yield of 6.5%. On top of that, Enbridge has guided toward 5% to 7% annual growth in its distributable cash flow per share until at least 2024.

So that's clearly slower growth than goeasy and Dollarama. However, if you're looking for a higher yield today and a high-quality, low-risk stock that's increased its dividend for 27 consecutive years now, Enbridge is one of the best dividend growth stocks that Canadians can buy.

### CATEGORY

1. Dividend Stocks
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### TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)

2. TSX:DOL (Dollarama Inc.)
3. TSX:ENB (Enbridge Inc.)
4. TSX:GSY (goeasy Ltd.)

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#### **Author**

danieldacosta

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