



3 Reliable Dividend Aristocrats You Can Buy With Confidence

Description

Investors know that buying Dividend Aristocrat stocks has a tonne of advantages. For a company to be able to consistently pay a dividend, let alone increase it each year, it has to be a high-quality and well-established business in its industry.

However, while all Dividend Aristocrats constantly increase their payouts to investors, not all Dividend Aristocrats pay significant dividends. Some companies elect to pay a lower dividend and instead retain more capital to invest back into the business and ultimately grow at a faster rate.

Therefore, the Dividend Aristocrats list is one of the best places to find high-quality stocks to consider investing in, even if you're looking for higher-growth stocks.

And in this environment, it's certainly crucial to ensure you own high-quality companies. This way, they can continue to perform well or at least weather the storm as the economy worsens. In addition, you can have the confidence to hold them through periods when the market is underperforming.

So, if you're looking for Dividend Aristocrat stocks to consider adding to your portfolio, here are three of the best, from rapid growth stocks to high-quality passive-income generators.

A top Dividend Aristocrat to buy now

One of the best Dividend Aristocrat stocks you can buy, and one that offers an attractive yield of 5.1%, is **Telus** ([TSX:T](#)), the massive [telecom stock](#).

High-quality telecom stocks like Telus make for great investments because they offer essential services, earn tonnes of cash flow, and have significant long-term growth potential, as 5G technology becomes more popular.

Over the last five years, including through the pandemic, Telus's earnings before interest, taxes, depreciation, and amortization (EBITDA) have increased by 36% or a compounded annual growth rate (CAGR) of 6.3%. Furthermore, Telus expects its EBITDA will increase between 9.5% and 11% in 2023.

With the stock trading down near the bottom of its 52-week range and offering a compelling dividend yield, it's one of the top Dividend Aristocrat stocks that Canadian investors can buy today.

One of the best consumer staple stocks to buy and hold for the long haul

Telus is a great investment if you're looking for a combination of dividend growth and capital gains potential. However, if you're looking for higher-potential growth stocks, you may want to consider a high-quality company like **Alimentation Couche-Tard** ([TSX:ATD](#)).

Couche-Tard is one of the best Dividend Aristocrats you can buy because it's a consumer staple stock, and, therefore, offers investors defensive qualities. At the same time, though, it's an impressive growth stock that consistently expands its operations both organically and by acquisitions.

Over the last five years, Couche-Tard has increased its revenue by 66%, and more than doubled its EBITDA as well as its free cash flow. Furthermore, although the stock has grown at an exceptional pace as a result of the high-quality acquisitions it's made in recent years, it's also shown that it can grow organically.

So, it's no surprise that Couche-Tard's stock price is up by 93% over the last five years, a CAGR upwards of 14%. However, despite this impressive growth Couche-Tard's forward [price-to-earnings ratio](#) as well as its forward enterprise value (EV) to EBITDA ratio, are both below their historical averages. Therefore, Couche-Tard is one of the best Dividend Aristocrat stocks to buy now.

A massive residential REIT with properties across Canada

In addition to Telus and Couche-Tard, **Canadian Apartment Properties REIT** ([TSX:CAR.UN](#)) is one of the best Dividend Aristocrats you can buy, especially if you're looking for exposure to residential real estate.

Residential real estate is an industry that's highly defensive but also offers tonnes of long-term growth potential. And with CAPREIT's portfolio spread all across Canada, it's a low-risk investment for investors looking for exposure to the space.

Over the last five years, for example, CAPREIT's revenue has increased by 58%. Furthermore, its funds from operations have increased by 64%.

This impressive and consistent growth has led to CAPREIT's stock growing in value by roughly 40% over the last five years. Furthermore, its distribution has increased by almost 15% over that stretch.

If you're looking for a reliable and defensive Dividend Aristocrat stock that can provide both capital gains and dividend growth, CAPREIT is a top stock to consider today.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:ATD (Alimentation Couche-Tard Inc.)
2. TSX:CAR.UN (Canadian Apartment Properties Real Estate Investment Trust)
3. TSX:T (TELUS)

PARTNER-FEEDS

1. Business Insider
2. Flipboard
3. Koyfin
4. Msn
5. Newscred
6. Quote Media
7. Sharewise
8. Smart News
9. Yahoo CA

default watermark

PP NOTIFY USER

1. danieldacosta
2. kduncombe

Category

1. Dividend Stocks
2. Investing

Date

2025/08/13

Date Created

2023/02/09

Author

danieldacosta

default watermark