



3 Solid Long-Term Dividend Winners

Description

Income investors seeking reliable income in retirement that will grow over time certainly don't have an easy job. The range of options on the **TSX** alone is enough to make one's head spin. In this article, I'm going to discuss three Canadian options retirees ought to consider.

Fortis

One of my [perpetual top picks](#), **Fortis Inc.** ([TSX:FTS](#))([NYSE:FTS](#)) is a dividend machine, printing money for investors for nearly five decades! The 47-year long streak of dividend increase puts Fortis into the upper edition of dividend growth companies, compounding income for patient investors at an incredible rate.

The utilities giant has committed to raising its dividend in the 6% range for the next few years, bringing this company into rare territory with its five decades of dividend increases over this span of time.

Fortis' 3% dividend yield is supported by impressive earnings growth over time due to excellent execution and management of the company's diversified assets. Investors in Fortis can expect 5-6% a year in capital appreciation plus 5-6% a year in dividend increases based on historical performance. This company is a compounder's dream.

Telus

In the Canadian telecommunications space, **Telus Corp.** ([TSX:T](#)) has seen its stock price hum along nicely over the past decade. Investors seeking income have generally avoided the low yields provided by bonds. They have instead invested in companies like Telus, with its 4.5% yield.

Telus is operating in a highly regulated and protected oligopolistic telecom sector in Canada, providing for margins and earnings levels that support dividend growth over time, which makes Telus an excellent income option for retirees as well.

Telus has been investing heavily in 5G technology. The company stands to benefit from potential margin expansion moving forward from this offering expansion.

To fund this growth and rebalance the company's capital structure, Telus has announced plans to raise \$1.3 billion via equity markets. Given where valuations are today, this is a good move.

Scotiabank

Right now, I view **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) as somewhat of a turnaround story for many reasons. First, the Canadian lender has had issues in its South American operations, particularly Chile. Second, debt levels are sky-high in Canada, which is a ubiquitous problem for all Canadian banks.

Third, investors remain uncertain as they continue to digest the recent asset management acquisitions that Scotiabank has made totaling billions of dollars.

As far as Canadian banks go, Scotiabank is a higher-risk, higher-reward play. This sentiment appears to be reflected in the lender's dividend yield, which is more than 5% at the time of writing.

Stay Foolish, my friends.

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2. NYSE:FTS (Fortis Inc.)
3. TSX:BNS (Bank Of Nova Scotia)
4. TSX:FTS (Fortis Inc.)
5. TSX:T (TELUS)

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Date

2025/08/20

Date Created

2020/03/19

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