

# 12 Dividend Aristocrats for Every Month of the Year

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Stocks with long track records of annual dividend increases offer investors a sense of comfort. Shareholders can all but count on their income going on - and going up - year after year. With a little creativity, income investors can extend this sense of security to a month-by-month basis, as well.

Many dividend-paying stocks disburse their payments every three months. But if all your dividend stocks pay on the same schedule, say in March, June, September and December, then your income stream would dry up during the months in between. That's tough, in particular, for retirees who might rely on a steady flow of cash to meet monthly expenses. Fortunately, pay dates for some of the most dependable dividend stocks on the market are scattered all over the calendar.

After researching the payment schedules of the Dividend Aristocrats, 50 companies in Standard & Poor's 500-stock index that have hiked their dividends annually for at least 25 consecutive years, we put together a portfolio of 12 reliable dividend stocks that ensures investors will receive dividend checks every month of the year.

Data is as of March 2, 2017, unless otherwise indicated.

### January: Walmart Stores

The world's largest retailer isn't conceding the race to Amazon.com, even as the online juggernaut claims an ever-larger piece of the retail pie. Walmart went on the

offensive in 2016 by spending more than \$3 billion to acquire Jet.com, an up-and-coming online retailer. For its fourth quarter ended in January, Walmart's U.S. online sales jumped 29% including Jet.com sales. Over the past year, the company has paid out \$6.2 billion in dividends.

### February: AT&T

Telecommunications stocks are synonymous with dividend payments. Customers pay for service every month, which ensures a steady stream of cash to fund dividends. AT&T has been raising its dividend every year for more than three decades. It also happens to have one of the highest dividend yields among the 419 companies in the S&P 500 that pay dividends.

### March: ExxonMobil

A descendant of John D. Rockefeller's Standard Oil, today's ExxonMobil remains one of the world's largest oil companies and the single largest company among the 50 Dividend Aristocrats.

As a dividend stalwart--Exxon has paid a dividend since 1882--it continued to hike its payout even as oil prices declined in recent years. Over the last 34 years, Exxon's dividend payment has increased at an average annual rate of 6.4%.

#### **April: Medtronic**

Medtronic is one of the world's largest makers of medical devices, ranging from insulin pumps for diabetics to stents used by cardiac surgeons. Look around a hospital and there's a good chance you'll see its products. The company is focused on the health of its shareholders as well as its patients: Medtronic has been steadily increasing its dividend every year going on four decades.

#### **May: Procter & Gamble**

With major brands such as Tide detergent, Pampers diapers and Gillette razors, Procter & Gamble is among the world's largest consumer products companies. Although the economy ebbs and flows, demand for products such as toilet paper, toothpaste and soap tends to remain stable. That hardly makes the company recession-proof, but it has proven to be a reliable dividend payer for over a century. P&G has paid shareholders a dividend since 1891 and has raised its dividend annually for 60 years in a row.

#### **June: Johnson & Johnson**

Johnson & Johnson, founded in 1886 and public since 1944, operates in several different segments of the health care industry. In addition to pharmaceuticals, it makes over-the-counter consumer products such as Band-Aids and Listerine. It also manufactures medical devices used in surgery. Like many health care companies, a radical change in Obamacare under the Trump administration could hurt business, so it's comforting that J&J has raised its dividend every year for more than half a century.

#### **July: Ecolab**

Count Ecolab among companies grappling with the effects of lower oil prices. It provides water treatment and other industrial-scale maintenance services for the oil and gas industry, so its fortunes can wane when energy companies pare spending. However, Kiplinger forecasts oil prices to climb as high as \$60 a barrel this spring from about \$53 today. And over the long haul, this stock has proven to be a winner, thanks

in no small part to a dividend that dates back 80 years. According to Ecolab, this is its 25th consecutive year of dividend growth.

#### **August: Abbott Laboratories**

Today's Abbott Laboratories is focused on branded generic drugs, medical devices, nutrition and diagnostic products. Abbott spun off its pharmaceutical business into a separate publicly traded company, AbbVie, in 2013. (AbbVie, in case you're curious, is another solid bet for dependable dividends.) The original Abbott dates back to 1888 and paid its first dividend in 1924. The company is going on five straight decades of raising its annual payout to shareholders.

#### **September: Chevron**

Chevron, like its competitors, was hurt when oil prices started to tumble. The company has been forced to slash spending, but--reassuringly--it hasn't slashed its dividend. The outlook for oil remains uncertain, but near-term signs are encouraging. Kiplinger expects the price per barrel to approach \$60 later this spring, up from about \$53 today. And with 31 consecutive years of dividend growth under its belt, Chevron's track record instills confidence that the payouts will continue even if oil prices are slow to recover.

#### **October: Illinois Tool Works**

Founded in 1912, Illinois Tool Works makes construction products, car parts, restaurant equipment and more. Cost cuts, asset sales and share buybacks helped its stock rise 37% over the past year, doubling the gains of the broader stock market. Illinois Tool Works has hiked its dividend every year since 1964.

#### **November: Lowe's**

Home improvement chain Lowe's has paid a dividend every quarter since going public in 1961, and that dividend has increased annually for more than half a century. Rival Home Depot is also a longtime dividend payer, but its string of annual dividend increases only dates back to 2009. In a sign that Lowe's has plenty of excess cash to support ongoing efforts to return value to shareholders, the company recently announced plans to spend up to \$5 billion on share repurchases.

## December: Coca-Cola

Coca-Cola has long been known for quenching consumers' thirst, but it's equally effective at quenching investors' thirst for income. The company has paid a quarterly dividend since 1920, and that dividend has increased annually for the past 55 years. With the U.S. market for carbonated beverages on the decline for more than a decade, according to market research, Coca-Cola has responded by adding bottled water, fruit juices and teas to its product lineup to keep the cash flowing. During 2016, the company paid \$6 billion in dividends to shareholders.