

Fifty years is a long time. In the last half-century alone, humanity has been brought from an industrialized collection of countries to a globe-spanning digital civilization. These changes have caused massive upheavals in every aspect of society, including business. And while companies that have lasted for over 50 years are somewhat common, companies that manage to pay and increase dividends for 50 or more consecutive years are not.

These Dividend Kings are some of the best investments for income generation and retirement planning. But like any “best of anything” list, there are a handful of standouts that, in this case, provide excellent dividend growth while maintaining healthy financials to keep the growth coming.

So, today, let’s talk about the three best Dividend Kings with unstoppable growth potential.

## How I Came Up With The Following Stocks

This analysis was done on the Barchart [Stock Screener](#), with assistance from the [Watchlist](#) feature. So, first, I went to Barchart.com then to the Stock Screener, then used the following filters to get my desired results:

<input type="checkbox"/> Filter	Order
<input type="checkbox"/> CURRENT ANALYST RATING	Range: <input type="text" value="3.5"/> to <input type="text" value="5"/> <div><input type="button" value="Strong Sell"/> <input type="button" value="Mod Sell"/> <input type="button" value="Hold"/> <input type="button" value="Mod Buy"/> <input type="button" value="Strong Buy"/></div>
<input type="checkbox"/> DIVIDEND PAYOUT RATIO (%)	Range: <input type="text" value=""/> % to <input type="text" value="50"/> % <div><input type="button" value="Negative"/> <input type="button" value="Low"/> <input type="button" value="Medium"/> <input type="button" value="High"/> <input type="button" value="Very High"/></div> <div><div>below 0%</div><div>0.01% - 25%</div><div>25% - 60%</div><div>60% - 100%</div><div>above 100%</div></div>
<input type="checkbox"/> 5-YR DIVIDEND GROWTH (%)	Range: <input type="text" value="50"/> % to <input type="text" value=""/> % <div><input type="button" value="Negative"/> <input type="button" value="Low"/> <input type="button" value="Medium"/> <input type="button" value="High"/> <input type="button" value="Very High"/></div> <div><div>below 0%</div><div>0.01% - 10%</div><div>10% - 20%</div><div>20% - 30%</div><div>above 30%</div></div>
<input type="checkbox"/> ANNUAL DIVIDEND YIELD (%)	Range: <input type="text" value=""/> % to <input type="text" value=""/> % <div><input type="button" value="No Yield"/> <input type="button" value="Low"/> <input type="button" value="Medium"/> <input type="button" value="High"/> <input type="button" value="Very High"/></div> <div><div>0.00%</div><div>0.01% - 1.50%</div><div>1.50% - 2.75%</div><div>2.75% - 5.00%</div><div>above 5.00%</div></div>
<input type="checkbox"/> WATCHLISTS Only return symbols found in the selected Watchlist(s) within the results.	<div><input checked="" type="radio"/> Included <input type="radio"/> Excluded</div> <div><div><input type="checkbox"/> SELECT ALL</div><div><input type="checkbox"/> Aristocrats</div><div><input checked="" type="checkbox"/> Kings</div><div><input type="checkbox"/> High Dividend Stocks</div><div><input type="checkbox"/> Dividend Growth Stocks</div><div><input type="checkbox"/> Monthly Dividend Stocks</div></div>

SEE RESULTS

Use the "Filter View" on the Results tab to see the data with your Filter fields.

- **Current Analyst Ratings:** 3.5 (Moderate Buy) to 5 (Strong Buy).
- **Dividend Payout Ratio:** 50% or less. The payout ratio measures how much of a company’s after-tax earnings are paid out to shareholders as dividends. Setting this to

50% or less means I get Dividend Kings with enough cash margins to increase their dividends in the short- and medium-term without a hitch.

- **5-Year Dividend Growth:** 50% or more. The S&P 500 has a historical annual return of 10 - 11%. Setting the 5-year dividend growth rate to 50% or roughly 10% every year allows me to look for Dividend Kings that can roughly match it on dividend increases. Note that dividend increases are not similar to returns but can be used as an excellent benchmark for growth.
- **Annual Dividend Yield:** Left blank to appear on the results list.
- **Watchlists:** Kings. I have a bunch of watchlists on Barchart, which I can use singularly or in combination for stock screens. For now, I'm using just the Dividend Kings list.

After setting the filters, I got six results, which I arranged from highest to lowest 5-year dividend growth.

## Stocks Screener

Fri, Sep 20th, 2024 Help ?

SET FILTERS

RESULTS

Results: 6

Save Screener

Save as Watchlist

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Symbol	Name	Exchange	Industry	Analyst Rating	Div Payout%	5Y Div%	Div Yield(a)	Links
+ LOW	Lowe's Companies	NYSE	Building Prds Retail - Wsale	4.03	36.92%	135.14%	1.73%	
+ NDSN	Nordson Corp	NASDAQ	Machinery - General Industrial	3.75	28.65%	110.40%	1.10%	
+ PH	Parker-Hannifin Corp	NYSE	Machinery - General Industrial	4.71	23.54%	92.09%	1.02%	
+ ABT	Abbott Laboratories	NYSE	Medical Products	4.43	47.08%	82.14%	1.88%	
+ SPGI	S&P Global Inc	NYSE	Business Information	4.83	25.07%	80.00%	0.70%	
+ TGT	Target Corp	NYSE	Retail - Discount	4.09	45.27%	73.02%	2.88%	

I then took the top three. So, let's discuss the top three Dividend Kings for growth, starting with the top one:


## Lowe's Companies ([LOW](#))

### Lowe's Companies (LOW)

261.00 +4.37 (+1.70%) 09/19/24 [NYSE]

QUOTE OVERVIEW for Thu, Sep 19th, 2024

Notes Alerts Watch Help ?

Day Low	259.55	Day High	262.28
			
Open 260.89			
Previous Close	256.63		
Volume	2,261,400		
Avg Vol	2,013,420		
Stochastic %K	85.25%		
Weighted Alpha	+27.92		
5-Day Change	+8.95 (+3.55%)		
52-Week Range	181.85 - 262.49		

Realtime quote and/or trades are not sourced from all markets.



## 5-year Dividend Growth: 135.14%

Lowe's Companies, Inc. is a major American home improvement retailer that operates a chain of retail stores that provide home improvement, renovation, and maintenance products, serving both DIY (do-it-yourself) customers and professional contractors. The company boasts [16 million customer transactions](#) per week globally from its 1,700 physical locations.

Current Earnings	Three Months Ended			
	August 2, 2024		August 4, 2023	
	Amount	% Sales	Amount	% Sales
Net sales	\$ 23,586	100.00 %	\$ 24,956	100.00 %
Cost of sales	15,691	66.53	16,557	66.34
Gross margin	7,895	33.47	8,399	33.66
Expenses:				
Selling, general and administrative	4,025	17.07	4,086	16.38
Depreciation and amortization	423	1.79	427	1.71
Operating income	3,447	14.61	3,886	15.57
Interest – net	317	1.34	341	1.36
Pre-tax earnings	3,130	13.27	3,545	14.21
Income tax provision	747	3.17	872	3.50
Net earnings	\$ 2,383	10.10 %	\$ 2,673	10.71 %
Weighted average common shares outstanding – basic	568		584	
Basic earnings per common share	\$ 4.18		\$ 4.56	
Weighted average common shares outstanding – diluted	570		585	
Diluted earnings per common share	\$ 4.17		\$ 4.56	

See accompanying notes to the consolidated financial statements (unaudited).

Source: [Lowe's Companies Q2 2024 Report via SEC](#)

Lowe's latest quarter (Q2 2024) saw a marginal decline in revenue to \$23.59 billion from \$24.96 billion in the same period last year, or 5%. Accordingly, net earnings followed the slight drop by 11%. As a result, the company adjusted full-year comparable sales expectations from [-2% to -3% to -3.5% to -4.0%](#).

Still, considering that its 6-month EPS is at \$7.23 while its annual dividend rate is set to [\\$4.60 per share](#) (or a 1.76% yield), investors need not worry about Lowe's suddenly losing its Dividend King Status anytime soon. For reference, its trailing twelve-month dividend payout ratio is [36.92%](#)—plenty of headroom for growth.

Analysts give LOW stock a [moderate buy rating](#) with a 4.03 average score and a \$290 high target price.

Nordson Corporation ([NDSN](#))

## Nordson Corp (NDSN)

260.03 +4.42 (+1.73%) 09/19/24 [NASDAQ]

QUOTE OVERVIEW for Thu, Sep 19th, 2024

Notes Alerts Watch Help

Day Low 257.54 Day High 261.30  
Open 259.74

Previous Close 255.61  
Volume 189,600  
Avg Vol 210,865  
Stochastic %K 85.10%  
Weighted Alpha +14.46  
5-Day Change +11.79 (+4.75%)  
52-Week Range 208.91 - 279.38

Realtime quote and/or trades are not sourced from all markets.



### 5-year Dividend Growth: 110.40%

Nordson Corporation is a global manufacturer of precision dispensing, coating, and processing equipment for a wide variety of industries. Its offerings include adhesives, coatings, sealants, biomaterials, and other materials used in production processes.

	Three Months Ended	
	July 31, 2024	July 31, 2023
<i>(In thousands, except for per share data)</i>		
Sales	\$ 661,604	\$ 648,677
Operating costs and expenses:		
Cost of sales	292,603	288,357
Selling and administrative expenses	201,943	189,324
	494,546	477,681
Operating profit	167,058	170,996
Other income (expense):		
Interest expense	(18,803)	(12,089)
Interest and investment income	1,027	603
Other income (expense) - net	152	2,542
	(17,624)	(8,944)
Income before income taxes	149,434	162,052
Income taxes	32,107	34,161
Net income	\$ 117,327	\$ 127,891
Average common shares	57,229	56,989
Incremental common shares attributable to equity compensation	395	541
Average common shares and common share equivalents	57,624	57,530
Basic earnings per share	\$ 2.05	\$ 2.24
Diluted earnings per share	\$ 2.04	\$ 2.22

Source: [Nordson Corporation Q3 2024 Report via SEC](#)

Nordson's Q3 report showed a modest 2% year-over-year increase in sales, while basic EPS dropped slightly from \$2.24 to \$2.05. The company increased revenue guidance but narrowed its adjusted EPS outlook to [\\$9.45 to \\$9.65](#), though the midpoint was unchanged.

The company also increased its quarterly dividend payout for the 61st straight year by 15% to [78 cents per share quarterly](#), translating to a \$3.12 annual rate and a 1.19% yield. It also has a low [28.65% dividend payout ratio](#) and a [3.75 moderate buy rating](#).

## Parker-Hannifin Corporation (PH)

### Parker-Hannifin Corp (PH)

**626.05 +17.02 (+2.79%)** 09/19/24 [NYSE]

616.92 x 1 1,001.68 x 2 POST-MARKET **627.00 +0.95 (+0.15%)** 16:03 ET

**QUOTE OVERVIEW** for Thu, Sep 19th, 2024

Notes Alerts Watch Help

Day Low 616.17 Day High 627.30

Open 622.40

Previous Close 609.03

Volume 644,800

Avg Vol 502,750

Stochastic %K 90.13%

Weighted Alpha +60.41

5-Day Change +38.50 (+6.55%)

52-Week Range 362.49 - 627.30

Realtime quote and/or trades are not sourced from all markets.



### 5-year Dividend Growth: 92.09%

Parker Hannifin is an international engineering firm that develops and sells motion and control technologies. The company develops, produces, and supplies a wide range of products and systems for controlling motion, fluid, and gases across various industries [ranging from transportation to healthcare](#).

(Dollars in thousands, except per share amounts)	For the years ended June 30,		
	2024	2023	2022
Net Sales	\$ 19,929,606	\$ 19,065,194	\$ 15,861,608
Cost of sales	12,801,816	12,635,892	10,550,309
Selling, general and administrative expenses	3,315,177	3,354,103	2,504,061
Interest expense	506,495	573,894	255,252
Other (income) expense, net	(276,888)	184,167	944,881
Gain on sale of businesses and assets, net	(11,597)	(362,526)	(7,121)
Income before income taxes	3,594,603	2,679,664	1,614,226
Income taxes	749,667	596,128	298,040
Net Income	2,844,936	2,083,536	1,316,186
Less: Noncontrolling interest in subsidiaries' earnings	721	600	581
Net Income Attributable to Common Shareholders	\$ 2,844,215	\$ 2,082,936	\$ 1,315,605
<b>Earnings per Share Attributable to Common Shareholders</b>			
Basic earnings per share	\$ 22.13	\$ 16.23	\$ 10.24
Diluted earnings per share	\$ 21.84	\$ 16.04	\$ 10.09

Source: [Parker-Hannifin Corporation 2024 Annual Report via SEC](#)

Parker-Hannifin has had a record year in 2024, with full-year sales reaching \$19.93 billion against last year's \$19.06 billion. EPS also jumped to \$22.13 compared to \$16.23 in 2023. The company's growth across all financial metrics in the last three years is quite impressive, and CEO [Jenny Parmentier](#) has expressed optimism about reaching financial targets for 2029.

Meanwhile, PH stock offers [\\$1.63 quarterly dividends](#), translating to a \$6.52 annual rate and 1.04% yield. It also has the only strong buy rating on this list with a [4.71 average score](#) and maintains a healthy [23.54%](#) dividend payout ratio.

## Final Thoughts

Dividend Kings are great investments, but with time, diligence, and a little patience, you can improve your chances of increased long-term income by finding the ones that offer the best dividend growth overall.