

Dividend Growth & Passive Income

Manual of Dividend Growth Investing (DGI)

Building a Compounding Income Stream, Dividend Safety Metrics & Financial Freedom

Nivel / Level	Páginas / Pages	Autor / Author	Editorial
Level: Beginner - Intermediate	196 páginas	ManualesdeBolsa.com Income Desk	ManualesdeBolsa

Executive Summary & Learning Objectives

Dividend Growth Investing (DGI) focuses on acquiring stakes in high-quality, mature businesses with predictable cash flows and an unbroken record of annual dividend increases. This handbook teaches how to construct an income portfolio designed to generate an expanding cash flow stream that outpaces inflation without liquidating your underlying shares.

Core Handbook Takeaway:

"A cash dividend deposited directly into your account never lies or hinges on market sentiment. Companies that consistently hike dividend payouts over decades demonstrate resilient business models and fiduciary respect for shareholders."

Complete Handbook Curriculum

1. The DGI Philosophy: The Path to Financial Autonomy Through Growing Real-World Cash Flow
2. The Dividend Aristocrats & Kings Club: Screening Criteria Across the S&P 500 and Global Exchanges
3. Dividend Safety Metrics: Free Cash Flow Payout Ratios, Interest Coverage & Dividend Growth CAGR
4. The Snowball Multiplier: The Compounding Power of Systematic Dividend Reinvestment (DRIP)
5. Spotting and Dodging 'Yield Traps': The Hazards of Artificially High Yields Facing Imminent Cuts
6. International Dividend Taxation: Withholding Taxes, Double Tax Treaties & W-8BEN Form Optimization

Disciplined Investor Checklist

- ✓ Prioritize companies with an audited history of at least 10 to 25 consecutive years of rising dividend payments.
- ✓ Require a Payout Ratio below 60-70% of Free Cash Flow to ensure the dividend is safe during industry down-cycles.
- ✓ Be wary of isolated dividend yields exceeding 8-10% unless supported by transparent underlying operational cash flows.
- ✓ Automate the reinvestment of all dividend distributions during your primary wealth accumulation years.
- ✓ Ensure your broker processes the W-8BEN form to reduce US dividend withholding taxes from 30% down to 15%.

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