



3 Companies With Ample Staying Power and a 4% Yield

Description

It is very common for dividend investors to not care about the share prices of the companies they hold. After all, as long as the dividend is never cut, shareholders still get their income. It doesn't matter if the markets are up or down; all that matters is that income stream.

So for that reason, it's critical that dividend investors only buy companies with ample staying power; if the stocks will be held for a long time, with little to no monitoring, the companies must be able to withstand practically any market conditions. Below are three such companies.

1. Fortis

It's hard to find a company in Canada more stable than **Fortis** ([TSX: FTS](#)), Canada's largest investor-owned distribution utility. This makes sense, because we all still need to keep the lights on, even if the economy isn't doing well. As a result, Fortis has raised its dividend every year for over 40 years — it's hard to get more reliable than that.

Yet its shares have lagged over the past year, returning only 5%, including dividends. Consequently, the stock yields nearly 4%, a very solid number for such a reliable company.

2. Telus

To be frank, any of Canada's big three telecommunications providers would make this list. With limited competition, high barriers to entry, and subscription-based pricing, these three companies can count on a steady stream of revenue and cash flow for many years to come. That allows them to pay a nice fat dividend.

Telus ([TSX: T](#))([NYSE: TU](#)) has been a particularly strong performer. In its wireless division, it has been adding far more customers than its rivals, and has been keeping its customers happier too. Better yet, the company has been aggressively buying back stock and raising its dividend. Thanks to these efforts, the stock yields nearly 4%.

3. PotashCorp

PotashCorp (TSX: POT)(NYSE: POT) has certainly seen its share of volatility over the past year, but don't let that fool you. As long as we all need to eat, there will be plenty of demand for the company's products. This demand is further boosted by rising populations, rising incomes, and rising meat consumption worldwide.

New CEO Jochen Tilk seems like the perfect man for the job. He is known for operating mines very efficiently, something desperately needed at PotashCorp. He's also less of a controversial figure than his brash predecessor, Bill Doyle.

PotashCorp's shares currently yield 3.8%, and investors can count on this dividend for many years to come.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:TU (TELUS)
2. TSX:FTS (Fortis Inc.)
3. TSX:T (TELUS)

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