3 Dividend Stocks for a 20-Year Portfolio

Description

If you're looking for dividend stocks, chances are you're a long-term investor. After all, what good is a healthy dividend yield if you have to worry about it being cut? Unfortunately, in Canada, there are too many companies that come with exactly that risk.

On that note, the three companies below can be reliably counted on not just for years, but for decades.

1. TransCanada

There are very few industries as reliable as pipelines. These companies operate critical infrastructure, sign long-term contracts with their customers, and face ever-increasing demand for their services. It's no wonder that these companies raise their dividends so consistently.

The best company to buy in this space may be **TransCanada** (TSX: TRP)(NYSE: TRP), whose stock is being held in check by uncertainty over the Keystone XL pipeline. As a result, the shares yield a healthy 3.7%.

However, Keystone accounts for just a small fraction of TransCanada's $36 billion of commercially secured projects. If you're willing to ignore the many headlines, then you can get a reliable dividend from this company for many years to come.

2. Rogers Communications

Like the pipeline companies, Canada's big three telecommunications providers are also reliable cash-flow generators. Limited competition, high barriers to entry, and subscription-based pricing don't hurt.

Of the big three, **Rogers Communications** (TSX: RCI.B)(NYSE: RCI) is currently the cheapest, at 13.5 times earnings. The company has posted some mediocre earnings numbers the past few quarters, and investors are starting to get impatient. Rogers also has a reputation for poor customer service, something that may be weighing on the share price.

As a result, new CEO Guy Laurence is placing a big emphasis on improving customer service, and in the meantime Rogers has some nice assets to work with. For example, the company was the big winner (for a price) at the last spectrum auction, and also won the rights to broadcast NHL hockey games.

So shareholders should be able to count on Rogers for a long time. In the meantime, they can enjoy the company's 4.4% dividend.

3. Cenovus

It is true that oil production is a lot more cyclical than pipelines and telecommunications. Despite this, **Cenovus** (TSX: CVE)(NYSE: CVE) is quite possibly Canada's most robust energy company, simply because it owns the best assets. As a result, it is able to produce oil much more cheaply than its competitors, meaning that the company will remain profitable even when oil prices are depressed.

Like Rogers, Cenovus has had some mediocre earnings numbers the past few quarters, which have held down the share price — consequently, Cenovus yields a healthy 3.1%.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:CVE (Cenovus Energy Inc.)
2. NYSE:RCI (Rogers Communications Inc.)
3. NYSE:TRP (Tc Energy)
4. TSX:CVE (Cenovus Energy Inc.)
5. TSX:RCI.B (Rogers Communications Inc.)
6. TSX:TRP (TC Energy Corporation)

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