What the Mainstream Media Won’t Tell You About Investing

Description

Why isn’t anyone talking about the most spectacular dividend in Canada?

I’m talking about a way to collect dividend yields up to 10% … 25% … even 50%, paid by honest Canadian businesses. This is an income stream so big and safe, you could quite literally live off of it.

Thousands of ordinary investors are using this strategy to build wealth in the stock market, even though they don’t have PhDs or MBAs. However, you will never hear about it from your stock broker — and you will almost certainly never read about it in the mainstream media.

Why isn’t anybody talking about this?

Let me tell you some hard facts …

Most newspapers are in debt to a bank from the day they open. Also, like every television station in the world, business channels are financed by commercials. Thus, every financial journalist must obey the cardinal rule: Never anger the advertisers.

The next time you turn to your favourite news network, watch the commercials closely. Every other advertisement is for a bank, brokerage firm, or financial advisor.

Brokers make their money every time you buy or sell a stock. Do you think they really care about your retirement goals? If it interferes with their commissions, probably not.

How about bankers and advisors? No, they’re no better. Most would rather try to sell you a bunch of high-fee financial products.

Is it any wonder why the financial media is crowded with programs like “Quick Money”? Because of how it’s funded, the press wants to promote the idea that you have to be constantly buying and selling stocks to build wealth.

But as I'm about to show you, that idea couldn't be further from the truth.

The secret "they" don't want you to know about

The trick to building real wealth in the stock market is simple: Buy wonderful businesses that regularly reward shareholders through growing dividends… and hold for the long haul.

It's common sense, right? But given enough time, even a tiny income stream can become a raging river of cash flow.

Enbridge (TSX: ENB)(NYSE: ENB) is a great example of the power that tiny dividend hikes can have on a stock's yield with time. Over the past decade, the company has increased its dividend at a 12% compounded annual clip. If you had bought and held the stock over that period, the yield on your original investment would be 11.5% today.

What if we were to play out this hypothetical investment for another 10 years? Assuming Enbridge can continue to increase its dividend at a 10% compounded annual rate, the yield on your original investment would grow to 30% by 2024. That's the power of compound growth.

There are plenty of other examples of this concept in action. Take utility company **Fortis** (TSX: FTS)(NYSE: FTS), for example. Since 1993, it has increased its dividend more than threefold. If you had bought and held the stock over that time, your yield on cost would be almost 21% today.

The **Toronto Dominion Bank** (TSX: TD)(NYSE: TD) has done even better. Over the past two decades, the company has increased its payout at a 12% compounded annual clip. If you owned the stock for that entire period, the yield on your original investment would be 41% today.

Here's what the financial media won't tell you

Nobody in the financial media is going to tell you how to *really* make money in the stock market because the only one who benefits is you. However, as the examples above demonstrate, the secret to building wealth is to buy wonderful businesses and hold them for the long haul.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. NYSE:TD (The Toronto-Dominion Bank)
3. TSX:ENB (Enbridge Inc.)
4. TSX:FTS (Fortis Inc.)
5. TSX:TD (The Toronto-Dominion Bank)

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