

3 Dividend Stocks to Own Forever

Description

“Our favourite holding period is forever.” – *Warren Buffett*

When you buy equities you should be prepared to hold on for the long haul. How long? When you purchase a stock, you should think of yourself as a *permanent* partner in the business.

Unfortunately, few firms are suitable long-term holds. So if you want to be wedded to a company, it should have at least the following traits:

- Products that your grandchildren will likely use.
- Sustainable competitive advantages.
- Business strategies that look beyond the next quarter.

Of course, it's not easy to find all of those characteristics in one stock. So to help get you started, here are three that have a good shot at cranking out dividends for decades to come.

1. Brookfield Infrastructure Partners L.P.

I doubt you have ever heard of **Brookfield Infrastructure Partners L.P.** ([TSX:BIP.UN](#))([NYSE:BIP](#)). In fact, the company only started trading publicly a few years ago. But that doesn't mean this is some sort of risky, unproven stock.

Brookfield allows you to own a piece of dozens of infrastructure assets around the world. The company owns stakes in shipping ports throughout Europe, railroads in Australia, and toll roads across South America. I love these assets because they're long lived, face limited competition, and throw off steady cash flows.

Today, this stock pays a quarterly dividend of \$0.48 per share and yields about 3.5%. Of course, the payout isn't risk free — no equity investment ever is. But it's certainly on the conservative end of the spectrum.

2. Fortis Inc.

Owning shares of boring utility stocks like **Fortis Inc.** ([TSX:FTS](#)) won't make you the toast of your next cocktail party. But if you're interested in a solid company that pays out reliable dividends, then you'll like this stock just fine.

Fortis has one of the most dependable distributions in the country. Since 1972, the company has hiked its payout every single year. When you invest in a dominant monopoly with a 3.4% yield, your money has a great chance of growing year after year.

The thing is, people have to keep the lights on and heat their homes. Because this firm delivers a product that folks always need, Fortis earns steady income no matter what the economy is doing.

3. TransCanada Corporation

TransCanada Corporation's ([TSX:TRP](#))([NYSE:TRP](#)) business is vital to your daily life.

It owns 68,500 kilometers of oil and gas pipelines across the continent. Without the commodities this firm ships through its network, our world would be very different.

However, my favourite part about this stock is that energy prices have almost no impact on the company's cash flow. TransCanada simply earns a fee on every barrel of oil and gas that is shipped through its network. That means it sees consistent demand, just like a utility.

For shareholders, this has translated into steady dividends. TransCanada has increased its payout every year since 2000, and today, the stock yields a tidy 3.3%. I expect the firm to maintain that tradition for many years to come.

CATEGORY

1. Investing

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. NYSE:TRP (Tc Energy)
3. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
4. TSX:FTS (Fortis Inc.)
5. TSX:TRP (TC Energy Corporation)

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