

Dividend Investors: 5 Stocks to Buy and Hold Forever

Description

Nobody thought a little old woman from Lake Forest, Illinois could know anything about the stock market, but their jaws dropped when she unveiled her fortune.

In 1931 Grace Groner was hired as a secretary at **Abbott Laboratories**. She never earned a lavish salary. To stretch every nickel, she bought her clothes at rummage sales and lived in a tiny one bedroom cottage.

A few years after starting her job, Grace purchased three shares of her employer's stock for about \$60 each. She reinvested any dividends paid out and never sold a share, even after repeated stock splits.

When Grace passed away in 2010, she owned over 100,000 shares of Abbott stock. The total value of her investment was more than \$7 million.

Of course, not everyone will turn \$180 into a multi-million dollar fortune. Ms. Groner is an exceptional case. However, her story is a classic example of how most investors build wealth in the stock market.

Even today, thousands of regular folks are buying shares in wonderful businesses, holding on for the long haul, and building small fortunes of their own. If this is something that might interest you, I've created a list of five dividend stocks you could literally own forever. My advice: buy them, hold them, and let these stocks make you rich.

Stock	Current Yield	Market Cap
Emera Inc.	3.9%	\$6.0 billion
Royal Bank of Canada	3.8%	\$116.7 billion
TransCanada Corporation	3.7%	\$40.4 billion
Toronto-Dominion Bank	3.6%	\$103.8 billion
Canadian Natural Resources Limited	2.3%	\$43.9 billion

Source: Yahoo! Finance

Let's say a few words about these companies.

Emera Inc. ([TSX:EMA](#)) is easy to wrap your head around. It's a well-run power company serving millions of customers in Maine and Atlantic Canada. When they turn their lights on, you get paid. Even if times get tough, the power bill is usually the last payment people skip.

Like Emera, **TransCanada Corporation** ([TSX:TRP](#))([NYSE:TRP](#)) is vital to your daily life. The company owns pipelines, terminals, and storage facilities. In exchange for moving commodities like oil

and natural gas, TransCanada receives a fee that it passes on to investors.

In many ways, you could think of TransCanada's business like a bond. That's because while prices can be volatile from day to day, the actual *volume* of energy being moved through the company's network is incredibly stable. That means this business (and this dividend) is about as steady as it gets.

Canadian banks are another group of stodgy investments. Six companies dominate the sector, accounting for almost 90% of the nation's deposits. Moreover, the industry is heavily regulated by the government, with strict limits on foreign competition.

As a result, Canadian banks should continue cranking out oversized profits for decades to come. I've included the **Royal Bank of Canada** ([TSX:RY](#))([NYSE:RY](#)) and the **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) on this list today. However, you could substitute these companies with any bank stock.

Finally, **Canadian Natural Resources Limited** ([TSX:CNQ](#))([NYSE:CNQ](#)) is easy to disregard because earnings are a bit of a question mark. However, the company is just wrapping up construction on its new Horizon oil sands project. With that out of the way, this stock is about to start gushing cash flow.

Most of those profits will be returned to investors through dividends and share buybacks. Canadian Natural Resources toiled for years developing this project. Now, it's time to sit back and enjoy its hard work.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:CNQ (Canadian Natural Resources)
2. NYSE:RY (Royal Bank of Canada)
3. NYSE:TD (The Toronto-Dominion Bank)
4. NYSE:TRP (Tc Energy)
5. TSX:CNQ (Canadian Natural Resources Limited)
6. TSX:EMA (Emera Incorporated)
7. TSX:RY (Royal Bank of Canada)
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