



4 Income and Growth Stocks to Start Any Portfolio

Description

Investors looking to either augment or even just starting their portfolio are faced with the daunting task of what investments to add. Then they have to answer some questions: Do they target income-producing stocks or growth stocks? Should they start with financial stocks or go for a tech stock with huge potential?

Fortunately, the market offers plenty of options to pick from, and for those investors looking for a handful of great investments, here are four great picks that could help nearly any portfolio.

BCE Inc. ([TSX:BCE](#))([NYSE:BCE](#)) is a telecommunications behemoth that affects our daily lives more than any other company in the market. The company's core subscription services of wired and wireless phone, TV, and internet services offer some of the best coverage available, and BCE owns an assortment of properties, TV and radio stations, and even professional sports teams.

There are two reasons to love BCE. BCE has a massive network of infrastructure that has been built over the years, which not only gives the company a competitive advantage over rivals, but forms part of a massive moat. That moat allows BCE to reward shareholders with a better-paying dividend — the second reason to love BCE. BCE has been paying an incredible dividend for well over 100 years. The quarterly dividend of \$0.72 provides an appetizing 4.87% yield for investors.

BCE currently trades for just under \$59 with a P/E of 17.70.

Bank of Montreal ([TSX:BMO](#))([NYSE:BMO](#)) makes a great addition to any portfolio. While Bank of Montreal is not the largest bank in the country, it has a number of advantages over its peers.

Bank of Montreal, like BCE, is a member of the century-old-divided club, rewarding shareholders since 1829. The current quarterly dividend of \$0.88 per share pays a respectable 3.52% yield, and there's plenty of room for growth.

One thing that really impresses me about Bank of Montreal is how the bank has been able to identify great acquisition targets over the years, which have contributed to the overall success of the bank. Two examples of this that should resonate with investors are the Marshal Ilsley acquisition in 2010, which

effectively doubled the coverage and deposits in the U.S. market, and more recently, the acquisition of the transportation financing arm of **General Electric Co.**, which is responsible for 20% of the new commercial truck lending in the U.S and Canada.

Bank of Montreal trades at \$100 and has a P/E of 13.24.

TransCanada Corporation ([TSX:TRP](#))([NYSE:TRP](#)) is an energy company that could better be compared to a toll-booth operator. TransCanada develops and operates a vast network of pipelines that traverse North America, connecting nearly every gas-supply region on the continent.

Why invest in TransCanada? The company has a massive list of projects that are estimated to be worth over \$25 billion. TransCanada is the name behind the highly controversial Keystone XL pipeline, which, as of this week, is back on after being rejected last year.

All of these projects translate into opportunities for the company to continue growing; the company has grown by over 23% in the past year alone. Even better, TransCanada pays a quarterly dividend of \$0.625 per share, which results in an impressive 4.04% yield at the current price of just under \$62.

Dream Office Real Estate Investment Trst ([TSX:D.UN](#)) is a great opportunity for investors that are unable to enter the red-hot real estate market that's sweeping the country. As a REIT, Dream offers the landlord-like monthly distribution of \$0.125 per share, which translates into an impressive 7.78% yield.

The real reason to consider Dream is the opportunity the company has over the long term. Weakness in the Albertan market last year forced Dream to reduce its distribution and write down the value of some holdings. The end result was a sell-off in the stock, which put the stock value below the NAV.

Fast forward to today, and the company is in a much healthier position with a great distribution that's sustainable and offers growth. As an added bonus, the current stock price is still slightly below the NAV, and as the Albertan market continues to improve, those holdings that aren't sold off will become a source of revenue for the company.

CATEGORY

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TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:BMO (Bank of Montreal)
3. NYSE:TRP (Tc Energy)
4. TSX:BCE (BCE Inc.)
5. TSX:BMO (Bank Of Montreal)
6. TSX:D.UN (Dream Office Real Estate Investment Trust)
7. TSX:TRP (TC Energy Corporation)

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Author

dafxentiou

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