4 Dividend Stocks to Add to Your Holiday Shopping List

Description

With the holiday season now in full swing, investors are looking at how best they can stack their portfolio for 2018 and beyond. For many investors, this means finding several great income-producing stocks that can provide a handsome stream of dividends for years to come.

Fortunately, the market never ceases to disappoint, as there are several great income-producing stocks that should be on every investor's shopping list.

Here are some great investments that investors should consider adding to their portfolios in time for 2018 across a broad section of the economy.

A telecom investment with great potential

BCE Inc. (TSX:BCE)(NYSE:BCE) is a great dividend-paying stock, but not for the reason you may think. BCE's core subscription services offer internet, TV, wired and wireless phone services to subscribers across the country, and those services are provided thanks to a stellar infrastructure setup that is the envy of competitors.

That infrastructure provides an impressive moat against potential smaller competitors and allows BCE to provide shareholders a higher-paying dividend over its peers. BCE's current quarterly dividend stands at $0.72 per share, translating into a very appetizing 4.59% yield.

Critics of BCE's higher-paying dividend often note that there's little room for growth once shareholders have been rewarded, but in reality, BCE caters to growth-minded investors as well. BCE completed the acquisition of Manitoba Telecom Services earlier this year and, more recently, entered the home security market through another acquisition.

A railroad with a massive moat

While BCE's moat is impressive, the moat that **Canadian National Railway Company** (TSX:CNR)(NYSE:CNI) has is mind-numbing. Canadian National is the only railroad in North America that has access to three separate coastlines, and the thousands of kilometres of rail tracks run through nearly all the major metro areas in Canada as well as the northeastern and Midwestern U.S.

For a competitor to even consider challenging Canadian National's supremacy is laughable. Any new competitor to the market would be faced with tens of billions in infrastructure and construction costs that would span upwards of a decade. And the prospect of existing competitors of Canadian National merging to leapfrog the railroad are even slimmer thanks to a set of strict rules set by the Surface Transportation Board following a series of mergers in the 90s.

In short, Canadian National will remain in the advantageous position it has always been, hauling everything from automotive components and coal to raw materials and oil to points right across the continent, offering investors a respectable 1.6% yield.

Keep the power on with Fortis

Utilities such as **Fortis Inc.** (TSX:FTS)(NYSE:FTS) make great long-term dividend investments. Utilities operate under a simple, yet lucrative business model. Long-term contracts, which can span upwards of 20 years, stipulate what the utility will provide and the compensation received for providing that service.

The result is a stable, reliable source of income. Fortis's quarterly dividend provides a respectable 3.62% yield. Even more impressive is the fact that Fortis is one of the relatively few dividend-paying companies with an established record of annual increases to the dividend, which is now in its fourth decade of consecutive increases.

You can bank on CIBC for income

Canada's big banks pay out great dividends that have witnessed significant growth over the years, and an excellent option that is often overlooked in this sector is **Canadian Imperial Bank of Commerce** (TSX:CM)(NYSE:CM).

CIBC is neither Canada's largest or most well-known bank, and it has been criticized in the past by pundits as lacking a sufficient international segment to hedge against Canada's overheated real estate sector.

To silence those critics and resume an expansion into the U.S. market after exiting years ago, CIBC completed the acquisition of PrivateBancorp earlier this year in a massive $5 billion deal.

CIBC offers investors an impressive quarterly dividend with a yield of 4.33% that has steadily risen over the past few years and is likely to continue growing well into 2018 and beyond, thanks in part to the continued strength the bank shows with each passing quarterly update.

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