



## 5 Buy-and-Hold Dividend Stocks for Investors in 2018

### Description

Buy-and-hold portfolios work nicely for dividend investors, whose investment objective is to remain invested and grow their retirement income over time.

One key advantage for buy-and-hold investors is that they don't have to worry too much about the daily market gyrations and quarter-to-quarter performance of their holdings. Once you have picked your stocks after proper homework, it's better to stick with your investments.

The world's most successful stock picker, Warren Buffett, offers a similar advice when people ask him how they should invest.

"The money is made in investments by investing," Buffett told *CNBC* in an interview last year, "and by owning good companies for long periods of time. If they buy good companies, buy them over time, they're going to do fine 10, 20, 30 years from now."

His investment firm owns some top dividend companies which are generally engaged in boring and old businesses, such as **IBM**, **American Express**, **Coca-Cola** and **Kraft Heinz**.

For Canadian investors, 2018 offers some great buy-and-hold opportunities. All you have to do is focus on the companies that have a credible history of paying dividends. They should be in businesses that are not going away, even after 20 or 30 years.

Here are five [top dividend companies](#) I think offer good value and are good candidates for your buy-and-hold portfolio.

Stock

**Enbridge Inc.** ([TSX:ENB](#))([NYSE:ENB](#))

**BCE Inc.** ([TSX:BCE](#))([NYSE:BCE](#))

**Canadian Imperial Bank of Commerce** ([TSX:CM](#))([NYSE:CM](#))

**Brookfield Infrastructure Partners L.P.** ([TSX:BIP.UN](#))([NYSE:BIP](#))

Div

4.9

4.7

4.7

3.0

## RioCan Real Estate Investment Trust ([TSX:REI.UN](#))

5.8

Source: Yahoo! Finance

If you notice in this chart, I have picked stocks that are the top players in their fields and currently are trading at attractive levels, providing yields closer to 5%.

For long-term investors, having exposure to Canada's best utilities makes sense, as they support some of the highest yields and offer stability. The world's largest pipeline operator, [Enbridge](#), for example, plans to boost its dividend payouts 10% each year through 2020. Its current ~5% dividend yield looks very juicy for the buy-and-hold portfolio.

Similarly, RioCan and BCE are the leaders in their respective fields. These types of stocks not only provide diversification to your portfolio, but they offer a hedge against a possible downturn in the market place, which can come anytime without warning.

Finally, Canadian banks are among the top dividend payers in Canada. On average, Canada's top five banks distribute between 40% and 50% of their income in dividends each year.

Having Canadian Imperial Bank of Commerce in your buy-and-hold portfolio isn't a bad idea, especially at a time when Canada's economy is strengthening and outlook for the nation's lenders is very bright.

### The bottom line

Building your buy-and-hold portfolio doesn't require you to be a market guru. All you need is a long-term investing horizon, patience, and stocks that are top-quality dividend payers.

### CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Energy Stocks
4. Investing

### POST TAG

1. Editor's Choice

### TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
3. NYSE:CM (Canadian Imperial Bank of Commerce)
4. NYSE:ENB (Enbridge Inc.)
5. TSX:BCE (BCE Inc.)
6. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
7. TSX:CM (Canadian Imperial Bank of Commerce)
8. TSX:ENB (Enbridge Inc.)
9. TSX:REI.UN (RioCan Real Estate Investment Trust)

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## **Date**

2025/08/17

## **Date Created**

2017/12/19

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