

2 High-Yield Dividend Stocks to Hold Forever

Description

Holding stocks forever is what many successful investors do. This strategy works nicely to produce growing wealth, because the wonder of compounding takes time to show its true potential.

Once you have bought quality income-producing stocks at the right price, don't try to sell them. Instead, hold them for the long haul. Here is an example of two high-yield dividend stocks that I'd buy today and never sell.

Brookfield Renewable

Energy infrastructure companies are among the best high-yielding stocks in North America. [Brookfield Renewable Partners LP](#) (TSX:BEP.UN)(NYSE:BEP) is certainly one of the them.

The partnership operates one of the world's largest publicly traded renewable power companies, producing 16,000 MW of capacity and managing 820 facilities in North America, South America, Europe, and Asia. Its investment objective is to deliver long-term annualized total returns of 12-15%, including annual dividend hikes of 5-9% from organic cash flow growth.

The company has been expanding globally through a smart acquisition strategy. In 2017, the company delivered a total return to shareholders of about 25%. It commissioned 75 MW of new capacity, while progressing an additional 248 MW of construction and advanced stage projects that are expected to enter commercial operations in the next four years.

This growth strategy has helped the company produce steady earnings, dividend growth, and decent capital gains for its investors. Trading at \$39.35, the stock currently pays a 6.36% dividend yield with an impressive payout history. The company has hiked the payout each year it has been publicly traded.

Inter Pipeline Ltd.

[Inter Pipeline Ltd.](#) (TSX:IPL) is another energy infrastructure company with a diversified operations. It operates four business segments in western Canada and Europe. Its pipeline systems span over 7,800 kilometres in length and transport approximately 1.4 million barrels per day.

In Europe, IPL operates 16 strategically located petroleum and petrochemical storage terminals, which have a combined storage capacity of approximately 27 million barrels. Its NGL business is one of the largest in Canada, processing an average of 2.8 bcf/d in 2017 with the capacity to produce over 240,000 b/d of NGL.

IPL acquired Williams Canada for \$1.35 billion during the recent oil slump to further consolidate its position in the industry. The company is also building a \$3.5 billion petrochemical project in an industrial area north of Edmonton that will convert propane into polypropylene, a plastic used in the manufacturing of many industrial products.

These growth initiatives have poised the company to produce steady cash flows for its investors in the years to come.

IPL stock now yields 7.39%, paying \$1.68 a share annual dividend. In November, the company hiked its payout by 3.7%, marking this its 15th consecutive dividend increase.

The bottom line

These two high-yield stocks can give you an idea how you can build your portfolio of buy-and-hold stocks. But not all high-yield stocks are safe. You have to do your proper due diligence before picking a high-yielding investment to make sure you're not catching a falling knife.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. TSX:BEP.UN (Brookfield Renewable Partners L.P.)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Dividend Stocks
2. Energy Stocks
3. Investing

Date

2025/07/04

Date Created

2018/03/13

Author

hanwar

default watermark