



## 2 High-Yield Canadian Dividend Stocks to Hold Forever

### Description

Buying top-quality dividend stocks and holding them over a long haul is a proven way to build your wealth. Warren Buffett, the world's most successful value investor, has used this approach to create his empire.

This strategy looks very simple, but it requires a lot of patience on the part of investors, who have to endure the market turmoil and volatility, while remaining focused on their ultimate goal.

Let's have a look at [RioCan Real Estate Investment Trust \(TSX:REI.UN\)](#) and [BCE Inc. \(TSX:BCE\)\(NYSE:BCE\)](#) — two high-yielding stocks — to see if they offer any value for buy-and-hold investors.

### RioCan REIT

Canada's real estate sector has many companies that offer high dividend yields and look very attractive. I always recommend that investors stick with the top companies that have dominant positions in their markets.

RioCan is Canada's largest REIT, managing a portfolio of 289 properties, including 17 development properties, with an aggregate net leasable area of 44 million square feet.

The company is well positioned to benefit from Canada's robust rental demand and a strengthening economy. In a latest shift to its business model, RioCan is now focusing on the country's six major markets and selling as much as \$2 billion in real estate as it exits some cities.

It also plans to develop a solid residential brand. Under the "RioCan Living," the company will turn select existing retail shopping centres into vibrant, mixed-use communities. Investors who want to invest in RioCan and plan to hold this stock are likely to benefit from this business transformation.

RioCan has consistent history of rewarding investors with growing dividends. The company has been paying dividends for the past 23 years. During that period, RioCan raised its annual distribution 17 times. With an annual dividend yield of 6.09%, which translates into \$0.12-a-share monthly dividend, you'll be getting a return which is more than double than what investors are getting from GICs

these days.

## **BCE**

BCE, Canada's largest telecom operator, is another high-yield dividend stock to buy and hold. The company has a huge competitive advantage with its presence in everything from wireless spectrum to data lines to media assets.

While announcing its fourth-quarter earnings, BCE reported its best quarterly wireless performance in many years, adding 175,204 wireless subscribers in the three months ending December 31, up 56% from the same period last year. This was its best quarterly performance in 15 years.

Over the last decade, investors who've reinvested their dividends into more BCE shares have enjoyed an annual return of 13%. That would have turned a \$10,000 investment into one worth \$23,000. The company has a policy to distribute between 65% and 75% of its free cash flow in dividends.

Trading at \$56.44 and yielding 5.35%, BCE stock offers a good long-term value to investors who are aiming for stable dividend income.

## **CATEGORY**

1. Dividend Stocks
2. Investing

## **TICKERS GLOBAL**

1. NYSE:BCE (BCE Inc.)
2. TSX:BCE (BCE Inc.)
3. TSX:REI.UN (RioCan Real Estate Investment Trust)

## **PARTNER-FEEDS**

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## **Author**

hanwar

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