



2 Dividend Growth Stocks That Market-Beating Investors Should Buy Now

Description

Beating the market isn't hard if you've got a long-term mindset from the get-go. A major reason why many struggle to beat the indices is that most investors are seeking shorter-term market-beating results, which is really hard to do consistently over the long haul!

If you look at many professional money managers, you'll see that many of them fail to outperform that of the index a majority of the time. These professionals are under immense pressure to deliver short-term results in order to keep investors from jumping ship to the hedge fund across the street.

Even Bill Ackman, previously referred to as "Baby Buffett," has struggled to keep investors from throwing in the towel on Pershing Square Holdings Capital Management, his hedge fund that's on track to post a fourth straight year in the red with a concentrated portfolio of investments that didn't quite go as planned. This goes to show that even a famous market-beater of the past will see his or her star status fade in a hurry if near-term results fall short of expectations.

It's hard to beat the market if you're chasing near-term gains, but fortunately, you don't have the same pressure to deliver over the next few months as hedge fund managers do. Unlike many of them, you have the ability to buy and hold a stock for decades, ignoring the trajectory that a stock takes as it moves from point A (now) to point B (your expected retirement date).

As such, you can implement a simple market-beating strategy of picking long-time dividend growth kings and simply holding them for the long haul.

Consider stocks like [Canadian National Railway Company](#) (TSX:CNR)(NYSE:CNI) and [National Bank of Canada](#) (TSX:NA), two dividend growth aristocrats that have completely obliterated the TSX consistently over the long haul and will continue to do so for many decades as their respective annual dividend hike streaks continue.

Both CN Rail and National Bank are simple, easy-to-understand businesses with the means of delivering above-average EPS growth numbers over the long-term. However, neither stock is going to make you rich overnight, which seems to be the only thing investors can think about these days.

If you've got an investment horizon of 10 years or more, then do yourself a favour and buy these stocks today. And don't fall into the trap of chasing hot stocks with the hopes of overnight riches because you really shouldn't be gambling the money if you've got the time to let them grow gradually over time.

Stay hungry. Stay Foolish.

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2. Stocks for Beginners

TICKERS GLOBAL

1. NYSE:CNI (Canadian National Railway Company)
2. TSX:CNR (Canadian National Railway Company)
3. TSX:NA (National Bank of Canada)

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Author

joefrenette

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