



5 Top Dividend Stocks You Can Buy and Hold Forever

Description

One of my favourite Warren Buffett maxims is “our favorite holding period is forever.”

As Buffett suggests, the very best investment is the one you never have to sell – thanks to the power of compound interest – a phenomenon that even the great Albert Einstein once referred to as the “eighth wonder of the world,” even going as far as to say that compound interest was the “greatest mathematical discovery of all time.”

The five companies listed below all play a vital role in Canada's economy and are as good a bet as any to still be around – not mention a whole lot bigger – decades from now.

Meanwhile all five also pay their shareholders a dividend, meaning that with an investment in the stock of these five companies, you too can take part in the “magic” of compounding.

Enbridge Inc ([TSX:ENB](#))([NYSE:ENB](#)) has been a core holding of many Canadians portfolios for decades now.

As a result, the company has become one of the publicly listed securities on the Toronto Stock Exchange with a market capitalization close to \$80 billion.

Unfortunately for Enbridge shareholders, the company's stock has fallen on hard times as of late, down close to 25% since the start of the year and now finding itself just few cents off its 52-week lows.

But the good news from that is that now Enbridge stock is yielding investors a very attractive dividend yields above 7% and on top of that, the company is on record that it plans to increase that payout by as much as 10% annually through 2020.

Enbridge plays a vital role in Canada's energy market meaning investors can rest assured the company certainly won't be going away anytime soon.

Enbridge is Canada's largest company from the energy sector, but **Royal Bank of Canada** ([TSX:RY](#))([NYSE:RY](#)) is the granddaddy of 'em all, Canada's very largest public company.

Royal is coming off a strong first quarter that saw the company deliver adjusted earnings per share growth of 10% over the year ago period and 7% growth over the fourth quarter.

Adding to the list of companies that play a vital role in the Canadian economy is **Canadian National Railway** ([TSX:CNR](#))([NYSE:CNI](#)), Canada's largest rail company.

CN Rail, as its more commonly known as, used to be a Crown corporation owned by the federal government. Back then, the government used its influence to make sure CN built its network into far reaching parts of the country in order to help benefit rural markets.

Decades later the move is paying dividends for shareholders with the company having raised its payout in each of the last nine years.

Compared to the rest of the companies that make this list, **Northland Power Inc.** ([TSX:NPI](#)) doesn't have a proven track record quite to the same extent, but at the same time, one could argue that Northland does offer investors superior prospects in terms of its [long-term growth potential](#).

Northland Power was one of Canada's very first independent power producers and today boasts an market leading position in Europe's offshore wind market.

Heading into 2018, the company hiked its dividend by a very impressive 20% for what is today a forward yield of 4.88%.

Canada's banks have historically been a "no-brainer" for investors.

While Royal Bank is Canada's leading bank, its **Canadian Imperial Bank of Commerce** ([TSX:CM](#))([NYSE:CM](#)) that today offers the [best dividend among Canada's banks](#).

CIBC has consistently boasted an industry leading return-on-equity among Canada's big banks which should help to drive above-trend dividend increases for years to come, on top of what is already the highest dividend yield in Canada's banking sector, at 4.59%.

CATEGORY

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

TICKERS GLOBAL

1. NYSE:CM (Canadian Imperial Bank of Commerce)
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