



2 Great Stocks for Your Long-Term Portfolio Right Now

Description

Are you investing for the short term, medium term, or long term? The thing is, these terms are defined differently by investors and will probably mean something different for each stock that you hold.

When investing in speculative stocks, investors may be betting on a quick profit. So, the trade could be as swift as being in and out of the stock within a day.

Other short-term trades may last for a month, several months, or even a year. Investing for the medium to long term can mean a period of three to five years. Other people view investing for the long term as investing for a decade or longer, perhaps if they're investing for retirement.

So, what does it mean to invest for the long term? It means you can imagine the market being closed for five or 10 years, and still being comfortable with the stock holdings you have.



I can visualize myself holding **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)), or Scotiabank, and **Brookfield Infrastructure Partners L.P.** ([TSX:BIP.UN](#))([NYSE:BIP](#)) for the next decade or longer.

Here's why these stocks may make great holdings for your long-term portfolio.

They offer safe, growing dividends

Dividends contribute meaningfully to investors' returns. Scotiabank and Brookfield Infrastructure offer safe and growing dividends, which offer positive returns to shareholders despite turbulence in the markets.

Scotiabank has served Canadians and has paid dividends to its common shareholders for over 180 years. The bank will continue doing in the foreseeable future what it has done, as it continues to generate nice profits quarter after quarter.

Scotiabank has increased its dividend for a number of years, and its quarterly dividend per share is nearly 7.9% higher than it was a year ago. With a payout ratio of about 48% and expectations of higher profits, the bank should be able to grow its dividend at a healthy pace of 5-8% per year going forward.

Brookfield Infrastructure produces [stable cash flow](#) from its growing portfolio of quality infrastructure assets from around the world — think toll roads, railroads, telecom towers, ports, natural gas pipelines, etc. The stock's recent pullback offers a nice opportunity to buy some shares for a yield of close to 5%.

The company's quarterly distribution is 8% higher than it was a year ago. With a payout ratio of about 65%, which is within the utility's target payout ratio range, management aims to grow Brookfield Infrastructure's distribution by 5-9% per year.

Investor takeaway

The recent dips in the share prices of Scotiabank and Brookfield Infrastructure are [great opportunities](#) to buy the quality companies at reasonable valuations and rewarding yields of about 4.2% and 5%, respectively, for long-term portfolios.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. NYSE:BNS (The Bank of Nova Scotia)
3. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)
4. TSX:BNS (Bank Of Nova Scotia)

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