



## 3 Great Income Buys for the Holidays

### Description

The holiday season is getting closer by the minute, and while, at first glance, that means retailers will finally have the opportunity to move into the black, there are plenty of other investment opportunities emerging on the market that are worthy of consideration.

The time of year is also an [opportunity to revisit](#) the investment mix of income-producing stocks in your portfolio. The importance of properly diversifying can't be understated, and selecting the right stocks at the right time can make a huge difference in earnings potential.

Here are three unique buys that will provide a growing source of income to investors for years to come.

**BCE** ([TSX:BCE](#))([NYSE:BCE](#)) is the first stock that is worthy of mention. Canada's largest telecom has been rewarding shareholders with a handsome dividend for well over a century, and in that time the company has amassed an incredible moat of media holdings and professional sports teams, and, most recently, it entered the home security market.

Despite the instinct by many investors to steer clear of telecoms in an environment of rising interest rates, there are several compelling reasons to consider the stock as a long-term gem.

First, there's BCE's network, which blankets the country and is constantly improving. This constitutes the first of several moats that surround the company, as any would-be competitor would need an investment of tens of billions and upwards of a decade to construct a comparable network.

Then there's BCE's wireless offering itself. In less than a decade, wireless connections have advanced from being a nice-to-have accessory to a requirement of modern society. Mobile devices have replaced upwards of over 100 devices we used to carry around, and additional utility is being added by the day.

In other words, a wireless connection is a growing requirement of our modern world, and BCE offers the largest network among its peers.

BCE offers a quarterly yield of 5.58% and currently trades with a P/E of 17.96.

The inclusion of an energy stock as a great income investment was a given considering Canada's strong energy sector, but the selection of **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) may seem a little confusing.

Enbridge developed a reputation with some investors as being a questionable investment, stemming from its much-hyped and very expensive acquisition of Spectra energy. The deal required Enbridge take on a heavy debt load, which ultimately impacted the balance sheet and the company's credit rating.

Despite that view, Enbridge remains a top pick for income-seeking investors thanks to its lucrative business model. In short, Enbridge has a massive pipeline network that energy companies use to transfer their crude and gas to refineries across North America. The business model is not unlike a toll-booth setup, which, given the resurgence in oil prices over the past year, bodes well for Enbridge over the long term.

Enbridge's concerning debt level and credit rating are steadily improving thanks to both the restructuring of its sponsored vehicles as well as the selling off of non-core assets.

Enbridge currently offers a yield of 6.17% and has committed to providing an annual 10% hike to its dividend for the next few years.

No mention of great income investments would be complete without at least [one pick from the financial sector](#), and **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) fits the bill as a perfect investment option to consider.

Most Canadians may not realize this, but TD Bank actually has more branches within the U.S. market than in Canada. That impressive growth also means that TD has access to the higher interest rates in the U.S., something which has fueled double-digit growth for the bank in recent quarters, providing not only a useful hedge against the domestic real estate market, but also a competitive advantage over its big bank peers in Canada.

TD has provided a handsome dividend to investors for well over a century and has maintained annual hikes to the dividend for years, culminating in the current 3.66% yield.

TD currently trades near \$73 with a P/E of 12.48.

## CATEGORY

1. Dividend Stocks
2. Investing

## TICKERS GLOBAL

1. NYSE:BCE (BCE Inc.)
2. NYSE:ENB (Enbridge Inc.)
3. NYSE:TD (The Toronto-Dominion Bank)
4. TSX:BCE (BCE Inc.)
5. TSX:ENB (Enbridge Inc.)
6. TSX:TD (The Toronto-Dominion Bank)

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