Buying Opportunity: 3 Stocks to Get Rich on

Description

Finding the perfect investment mix that can offer growth and income-earning opportunities while still adhering to having a somewhat diversified portfolio can be a daunting task, as many times those great investments are clustered around one particular segment of the market, such as banking or utilities.

For those investors looking to diversify their portfolios with several unique and promising investments, here are three companies worthy of consideration.

Canadian Western (TSX:CWB) is not a bank that we often hear about, but investors wanting to add a bank to their portfolio would be wise to take a look at the Edmonton-based bank. Why should you consider investing in Canadian Western? That would come down to a slew of strong results, a healthy dividend, and strong growth prospects.

First, the bank reported strong results in the most recent quarter, which runs contrary to the weak quarter that many of the big banks recently reported. Specifically, net income registered a 7% uptick, while revenue saw an increase of 10%, coming in at $66.5 million and $212.4 million, respectively. While those amounts may pale in comparison to the big banks, Canadian Western also managed a phenomenal 10% loan growth and 13% term deposit growth during the quarter, which is something that long-term investors should take into consideration.

Finally, there's the dividend. Canadian Western's quarterly dividend offers a yield of 3.73%, which, while lower than some of the larger banks, continues to see strong growth year after year, with the bank now boasting 27 years of consecutive growth — a feat that beats many of the Big Banks.

Canadian Western trades just shy of $30 with a P/E of 10.42.

Telus (TSX:T)(NYSE:TU) is one of the big telecoms in Canada, offering subscription-based TV, internet, wired and wireless service to customers across large parts of the country. Across all of those segments, Telus's wildly popular wireless service is what investors should be looking at most.

In a little over a decade, wireless devices have gone from being seen solely as communication devices to being vital to our daily lives. We are on our cell phones for longer periods of time, consuming more data with each passing year on a greater variety of applications that are steadily eliminating single-purpose devices we no longer have a need for, ranging from alarm clocks and cameras to pens, notepads, music players, and maps.

In terms of results, Telus boasted strong revenue growth of 6.3% in the most recent quarter, while EBITDA growth registered an equally impressive 4.3%. The company also added 112,000 net additions to its wireless network, while improving customer retention to an industry-leading 0.91% churn. Across the company, Telus registered 164,000 new customers across all of its segments, including some of the best quarterly figures in half a decade.

Telus's quarterly dividend is reason enough for many to consider investing. The current 4.41% yield is respectable, but what really makes the stock shine are the long-term growth prospects for that dividend. Telus has maintained a CAGR of over 7% over the past several years, providing investors with annual or better upticks that have kept the company as an attractive pick for dividend investors. Turning back over a decade, the dividend has more than doubled, and there's little reason to doubt further increases will continue.

Telus currently trades just under $50 with a P/E of 18.50.

Fortis (TSX:FTS)(NYSE:FTS) is a final pick that will power any portfolio to riches — literally. As one of the largest utilities on the continent, Fortis has a massive customer base that includes parts of Canada, the U.S., and the Caribbean. Part of the reason that Fortis is so large today is thanks to the company's incredible appetite for expansion, which has seen the company take on increasingly larger acquisitions over the years, allowing it to expand to new markets.

That growth has helped Fortis continue to provide annual growth to its quarterly dividend, which currently provides a 3.63% yield and boasts nearly four decades of annual, consecutive dividend hikes. Throw in the stable, if not lucrative business model that utilities operates under and Fortis emerges as the must-have investment for nearly any portfolio.

Fortis currently trades near $50 with a P/E of 19.56.

CATEGORY

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